

Stock code 6613



NOVA TECHNOLOGY CORP.

Handbook for the 2018

Annual Meeting of Shareholders

MEETING TIME: May 28, 2018

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1. Meeting process

NOVA TECHNOLOGY CORP.

Procedure for the 2018 Annual Meeting of Shareholders

1. Call the Meeting to Order

2. Chairperson Remarks

3. Report items

4. Proposals

5. Discussion

6. Extempore motion

7. Adjournment

2. Meeting agenda

NOVA TECHNOLOGY CORP.

Year 2018 Agenda of Annual Meeting of Shareholders

Time: 9:00a.m on Monday, 28 May, 2018

Location:2F,No.76, Sec.2, Jiafeng S. Rd., Zhubei City, Hsinchu County 30272, Taiwan (Zenfar APEC business center)

1. Call the Meeting to Order

2. Chairperson Remarks

3. Report items:

- (1) To report the distribution of 2017 employee and director compensation.
- (2) 2017 Business Report.
- (3) Audit Committee's Review Report of 2017 Financial Statements.
- (4) To report the amendment of "Rules of Procedure for Board of Directors Meeting."

4. Proposals:

- (1) Adoption of the 2017 Business Report and Financial Statements.
- (2) Adoption of the Proposal for Distribution of 2017 Profits.

5. Discussion

- (1) Discussion on the proposal to amend "Procedure for Acquisition or Disposal of Assets."
- (2) Discussion on the proposal to amend "Regulations Governing Remuneration Paid to Directors."

6. Extempore motion

7. Adjournment

3. Report items

Report No. 1 : To report the distribution of 2017 employee and director compensation. (Proposed by the Board of Directors)

Explanation : The Board of Directors of Company passed the resolution on February 9, 2018, in accordance with Article 19 of Regulations of the Company, the Company determined that the distribution of employees and directors' compensation in 2017 is as follows:

Item	Distribution ratio	Amount	Payment method
Employees' Remuneration	4%	NTD23,431,090	Full cash payment
Directors' remuneration	3%	NTD17,573,318	

Report No. 2 : 2017 Business Report. (Proposed by the Board of Directors)

Explanation : For the company's 2017 business reports and financial related statements, please refer to pages 6-25 of this Conference Manual [Annex 1 and Annex 2].

Report No. 3 : Audit Committee's Review Report of 2017 Financial Statements. (Proposed by the Board of Directors)

Explanation : The 2017 Audit Committee's Review Report, please refer to page 26 [Annex 3] of this Conference Manual.

Report No. 4 : To report the amendment of "Rules of Procedure for Board of Directors Meeting."

Explanation : In order to comply with the amendments to the relevant laws, it is proposed to revise some of the provisions of the "Rules of Procedure for Board of Directors Meeting", please refer to page 27 [Annex 4] of this Conference manual for amendments.

4. Proposals

Proposal No. 1 : Adoption of the 2017 Business Report and Financial Statements. (Proposed by the Board of Directors)

Explanation :

- (1) Nova technology Company's Financial Statements, including the balance sheet, statement of comprehensive income, statement of change in equity, and statement of cash flows, were audited by independent auditors, Huang, Hai-Ning CPA and Chang, Tzu-Hsin CPA of KPMG Firm. Also Business Report and Financial Statements have been approved by the Board held on Feb. 22, 2018 and examined by the Audit Committee of Acter Company.
- (2) The 2017 Business Report, independent auditors' report, and the above-mentioned Financial Statements, please refer to pages 6-25 of this manual (Annex 1 and Annex 2).

Resolution:

Proposal No. 2 : Adoption of the Proposal for Distribution of 2017 Profits.(Proposed by the Board of Directors)

Explanation :

- (1) Please refer to the 2017 Profit Distribution Table as follows:

**NOVA TECHNOLOGY CORP.
PROFIT DISTRIBUTION TABLE
Year 2017**

Unit: NTD

Beginning retained earnings	217,332,417
Less:Defined benefit plans	5,527,000
Add: net profit after tax	447,475,167
Distributable net profit	659,280,584
Less: 10% Legal reserve appropriated (2017)	44,747,517
Add:Turnaround special reserve appropriated	6,828,342
Distribution items:	
Cash Dividend to shareholders (10 per share)	339,280,000
Unappropriated retained earnings	282,081,409

- (2) When distributing cash dividends, the total amount paid to each shareholder shall be in whole NT dollars and any fractional amount less than one NT dollar shall be rounded up to the next NT dollar. The resulting difference shall be recognized as a Company expense.

(3) Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to determine the ex-dividend date and other relevant issues.

Resolution:

5. Discussion

Proposal No. 1 : Discussion on the proposal to amend “Procedure for Acquisition or Disposal of Assets.” (Proposed by the Board of Directors)

Explanation : In order to meet the needs of the company's operations, the company hereby proposes to amend “Procedure for Acquisition or Disposal of Assets.”. Please refer to page 29 [Annex 5] for details.

Resolution:

Proposal No. 2 : Discussion on the proposal to amend “Regulations Governing Remuneration Paid to Directors.”

Explanation : In order to implement corporate governance and to provide reasonable rules for the remuneration of the directors of the Company, it is proposed to revise some provisions of the “Regulations Governing Remuneration Paid to Directors”. Please refer to page 30 of [Appendix 6]for details.

Resolution:

6. Extempore motion

7. Adjournment

8. Attachments

[Annex 1] Business Reports

NOVA TECHNOLOGY CORP.

2017 Business Reports



I. 2017 Business results

1. Business plan implementation results:

Nova Technology Corp. has been working for many years and has a good reputation and stable customer base in the high-tech industry. The consolidated operating income for the year 2017 reached 3,342 million, which represents a growth of 26% compared with 2,651 million in the year 2016, due to the increase in gross profit margin in year 2017, the gross profit of the combined operations of this year reached 997 million, which represents a growth of 70% over the year 2016. The consolidated operating profit of year 2017 was a result of an increase in operating margins and an appropriately controlled cost of 676 million, an increase of 104% compared with 331 million in 2016. In terms of profit, the combined net profit after tax of 2017 was 447 million, which was a 69% increase from 264 million in fiscal year 2016.

Unit: In thousands of New Taiwan Dollars, %

Item	2017	%
Operating revenue	3,342,542	100%
Operating cost	2,345,098	70%
Gross profit	997,444	30%
Operating expenses	321,542	10%
Operating income	675,902	20%
Non-operating income and expenses	(79,191)	(2%)
Income before income taxes	596,711	18%

2. State of budget implementation : This item is not applicable since Acter has not disclosed any financial forecasts.

3. Financial structure and profitability:

Item		2017
Financial structure	Ratio of liabilities to assets (%)	62.96
	Ratio of long-term capital to fixed assets (%)	2292.20
Solvency	Current ratio (%)	160.67
	Quick ratio (%)	93.09
Profitability	Return on total assets (%)	10.13
	Return on stockholders' equity (%)	29.22
	Operating income as a percentage of paid-in capital (%)	199.22
	Pre-tax income as a percentage of paid-in capital (%)	175.88
	Profit ratio (%)	13.39

Earnings per share (NTD)	15.07
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4. Technology and R&D Overview:

This company mainly provides high-tech industrial water, gas and chemical process supply systems, including system design, machine equipment manufacturing and sales, equipment and piping construction installation and testing. The development of high-tech industrial process systems involves the application of chemicals/gas characteristics, process validation, overall system evaluation and design, machine mechanism design, on-site pipeline planning and design, instrument and control hardware, software integration development, and raw material properties. Evaluation of selection, processing methods, safety specification assessment, etc. needs to have a lot of expertise to carry out project design, equipment manufacturing and engineering work, the core technology of this company lies in overall system integration, providing customers with a safe and stable process supply system. R & D has a number of patents, accumulated years of actual performance, main semiconductor and panel manufacturers in Taiwan and China are mostly our customers.

This company actively establishes the basic research and design management project process, and continues to develop high-tech factory process equipment design and manufacturing methods. In addition, systems and equipment for environmental protection such as recycling, waste reduction, and regeneration after manufacturing have also continued to work closely with international companies to jointly develop suitable localized equipment. Another plan is to develop the water resources processing business, and cooperate with international partners to introduce zero-emission waste water system, in-water recovery system and seawater desalination system, actively carries out research on the use of water resources.

II . 2018 business plan summary

1. Business policy

- (1) Implement corporate governance and deepen corporate culture.
- (2) Continuing existing customers in mainland China and Southeast Asia, and developing new customers to improve operational efficiency.
- (3) Strengthen cooperation with international partners and deepen the professional and technical capabilities of green energy and water resources engineering.

2. Expected sales quantity and its basis

In recent years, Chinese government has promoted the localization policy of supply chain, and more and more international semiconductor manufacturers set up factories in China to grasp the potential business opportunities in Chinese market, according to CSIA's estimation, local semiconductor market share in China (It also includes the amount of foreign manufacturers making in China, It will increase 23% in 2006, and an estimated 60% growth this year. Chinese government also established China IC Industry Investment Fund to raise RMB138.7 billion, and actively launched a 15-year (2014~2029) investment plan, according to SEMI report, the total amount of semiconductor equipment and materials in China from 2004 to 2014 was more than US\$70 billion, and it is estimated that in 2018 China's fab-related equipment spending may exceed US\$63 billion, and it will remain at this level in the next few years. Due to this company's deep cultivation of Chinese market for many years, its regional sales accounted for more than half, and it is expected that this company's operating performance for the year of 2018 should have an opportunity to increase under the drive of Chinese government to promote high-tech industry development policies.

3. Future development strategy

High-tech process supply systems are mainly used in semiconductor, optoelectronics, and other high-investment industries, where safety and quality requirements establish a threshold for

competition. The technology and demand of high-tech industries are changing with each passing day, which can adapt to the changes in the market and expand the development space of the business, so that they can survive and grow rapidly under the elimination mechanism of market. In the situation where the competition between domestic and foreign peers has become more intense, technological capabilities, scale economies, efficiency enhancement, and integration services are the winning factors. In view of this, the company continued to carry out research and development of related products, sought cooperation between domestic and foreign advanced products and manufacturers, and constantly self-improvement, in response to market demand and future development.

Due to climate and environmental changes, water shortages are spreading throughout the world. The World Meteorological Organization predicts that one billion people will face drinking water crisis in the global coastal areas in 2050. This company has cooperated with international water resources professional companies to develop water resources related system equipment and engineering, to provide customers with the best solutions and services, and to fulfill the responsibilities of global citizens.

4. The impact of competitive environment, regulatory environment and overall operating environment

(1) Competition situation

In the situation where the competition between domestic and foreign peers has become more intense, technological capabilities, economies of scale, efficiency enhancement, and integration services are the winning factors, the establishment of corporate physique and the implementation of professional technology are the only ways to expand the space for career development and create vitality. In current industry competition pattern, we can quickly grasp the source of raw materials and provide customers with faster and more advanced products and services, which are important factors in whether we can take the leading position in the industry. In view of this, this company continued to carry out research and development of related products, and sought cooperation between domestic and foreign advanced products and manufacturers, and constantly self-improvement, in response to market demand and future development.

(2) Regulatory environment

This company regularly reviews changes in laws and regulations and complies with the requirements of the competent authorities and upholds the philosophy of decent management. As a whole, changes in the regulatory environment will have no major impact on this company.

(3) Overall business environment

As mentioned above, Chinese government is actively promoting the development of local semiconductor industry, it is expected that the company will benefit from related capital expenditure requirements and further increase the market share in China region.

Taiwan region is actively developing the use of water resources, according to the plan of the Water Resources Department, the amount of reclaimed water to be used every day should reach 700,000 tons in 2021, and 1,320,000 tons in year 2043.

(<http://file.wra.gov.tw/public/Data/57713564171.pdf>)

This company actively cooperates with internationally renowned companies in the development of water resource utilization plans and cultivates relevant professionals. It is expected that it will be able to lay a solid foundation for the company's next phase of development in this area.

5. Important production and sales policies

For many years, this company has continuously researched and developed high-tech industrial

process equipment and the surrounding pipeline engineering design and overall system to provide customers with competitive customized equipment and services. In addition to many years of deep plowing in mainland China, and in line with government's efforts to promote South moving policy and the rise of countries in Southeast Asian region, company has set up a subsidiary in Singapore to help expand overseas markets in the future.

Production and sales policies will continue to deliver aforementioned advantages and grasp current opportunities, we will continue to take care of customers' needs to consolidate existing customers and develop new customers in order to maintain steady growth in company business and profitability. In production side, we continue to strengthen our design capabilities, and on the premise of ensuring production of high-quality equipment, we have now add Suzhou Guanbo Co., Ltd. to expand its equipment manufacturing capacity in a timely manner and steadily move forward.

All colleagues of NOVA TECHNOLOGY CORP. will uphold the company's philosophy of "tomorrow will be better" and continue to overcome difficulties, expecting to provide customers with satisfactory services with superior products, better solutions and quality, and strive for the greatest benefits for shareholders.

Chairman : Chin-Li ,Liang

General Manager : Charly, Hsu

Accounting Supervisor : Oliver, Ou

[Annex 2] 2017 Independent Auditors' Report and Financial Statements

Independent Auditors' Report

To Board of Directors of NOVA TECHNOLOGY CORP.:

Opinion

We have audited the individual financial statements of NOVA TECHNOLOGY CORP. ("the Company"), which comprise the individual balance sheet as of December 31, 2017 and 2016, the individual statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2017 and 2016, and notes to the individual financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying individual financial statements present fairly, in all material respects, the individual financial position of the Company as at December 31, 2017 and 2016, and its individual financial performance and its individual cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the individual Financial Statements* section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual financial statements of the current period. These matters were addressed in the context of our audit of the individual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Project revenue recognition (including estimation of estimated total cost)

Refer to Note 4(14) "Revenue", Note 5 "Major source of accounting assumptions, judgments, and estimation uncertainty: Project revenue recognition(including estimation of estimated total cost)" and Note 6(3) "Construction contracts" to the individual financial statements.

Descriptions of key audit matters :

The percentage of project completion rate of the construction of the Company project revenue is recognized according to the engineering degree during contract period, engineering degree is calculated by reference to the cost incurred from each contract to the end of reporting period, and will be renewed when contract has a significant additional budget. Assess the estimated total contract costs and recalculate the percentage of completion based on the adjusted total costs. The correctness of the project revenue of the Company, is affected by the appropriate estimation of engineering costs and the estimated total project costs. Consequently, revenue recognition is one of the key matters for our audit.

How the matter was addressed in our audit :

The main auditing procedures of the above key auditing matters by accountants include: reviewing major contracts to understand the specific terms and risks of each contract, testing the relevant internal controls of operating income and collection operations cycle to confirm whether there are major anomalies; the total cost is one of the important accounting estimates of this company, accountants interviewed and updated the company's preparation and approval process for the estimated total contract costs in each period, understood the process of accounting estimates made by management and considered other internal and external as well as positive and negative evidence, and other information, to assess the rationality of the assumptions used by management, and to examine the causes of differences between estimated total costs and actual total closing costs of some sample projects; when auditors inspected the change in estimated total cost, they will consider whether the estimate of the management's estimated cost to be completed at the date of completion, the possibility of the expected reversal of the change consideration, etc. is objective and reasonable; at the same time, it will also assess whether the recognition of revenue is subject to relevant regulations, whether the disclosure of relevant contract costs is allowed.

2. The assessment of accounts receivable

Refer to Note 4(6) "Financial instruments", Note 5 "Major source of accounting assumptions, judgments, and estimation uncertainty: Impairment of trade receivables" and Note 6(2) "The net of notes and accounts receivables" to the individual financial statements.

Descriptions of key audit matters :

The recoverable of the Company's receivables is closely related with business cycle and customers' operating situation. The Company's management estimate impairment for receivables by assessing each customers' financial status and historical payment record. Impairment of receivables involves judgment and estimation uncertainty of the Company's management. Consequently, impairment of receivables is one of the key matters for our audit.

How the matter was addressed in our audit :

Our principal audit procedures included: testing related internal control of account receivable; reviewing collection of notes and accounts receivable during the subsequent period; evaluating the Company's assumption of impairment by performing receivables aged analysis; assessing whether the impairment is fairly presented.

3. Estimation of Project Loss

Refer to Note 4(8) "Project Contracts", Note 5 "Major source of accounting assumptions, judgments, and estimation uncertainty: Recognition and measurement of estimation of project loss" and Note 9 "Major Contingent Liabilities and Unknown List Contract commitment(4)" to the individual financial statements.

Description of key inspects items:

The Company for any work case, when judging the contract cost is not very likely to recover, it will be immediately recognized as a cost, which is estimated to involve the subjective judgment of management authority. Consequently, impairment of receivables is one of the key matters for our audit.

How the matter was addressed in our audit :

The main auditing procedures of above key auditing matters by accountants include: comparing the amount of project losses and losses that had actually occurred in the past, assessing and understanding the methods used by management to estimate losses, including the methods of use, sources of information used, and whether there are It may lead to the need to correct accounting estimates and assess whether it meets the accounting principles and the appropriateness of disclosure; if the case has entered legal proceedings, the possibility of recovery of costs depends on the outcome of pending lawsuit, and related liabilities will still be used for reference, the conditions for recognition are assessed.

Responsibilities of Management and Those Charged with Governance for the individual Financial Statements

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the individual Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the individual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the individual financial statements, including the disclosures, and whether the individual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the individual financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope

and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

February 22, 2018

The auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Individual Financial Statements and Report Originally Issued in Chinese.)

NOVA TECHNOLOGY CORP.

Statements of Comprehensive Income

For the years ended December 31, 2017, and 2016

(expressed in thousands of New Taiwan Dollars, except earnings per share)

	2017		2016	
	Amount	%	Amount	%
4110 Operating revenue (Notes 6 (3), (12) and 7)	\$ 1,466,807	100	1,284,689	100
5110 Operating costs (Notes 6 (3), (4), (8) and 7)	1,033,036	71	1,106,780	86
5900 Gross profit	433,771	29	177,909	14
Operating expenses (Notes 6 (8), (14)):				
6100 Selling	5,457	-	8,053	1
6200 General and administrative	132,835	9	89,938	7
	138,292	9	97,991	8
Operating income	295,479	20	79,918	6
Non-operating income and expenses:				
7020 Other interests and losses (Note 6 (13))	(43,521)	(3)	(15,105)	(1)
7050 Financial costs (Note 6 (13))	(1,176)	-	(377)	-
7070 The share of the interests of the subsidiaries as recognized by the equity method (Note 6 (5))	293,991	20	248,347	19
	249,294	17	232,865	18
7900 Profit before tax	544,773	37	312,783	24
7950 Less: Income tax expense (Note 6 (9))	97,298	7	48,392	3
Profit for the year	447,475	30	264,391	21
8300 Other comprehensive income, net of tax:				
8310 Items that will not be reclassified subsequently to profit or loss				
8311 Determining the number of remeasurements of the welfare plan (Note 6(A))	(5,527)	-	(2,872)	-
8349 Income tax related to non-reclassified items	-	-	-	-
Subsequent items that may be reclassified to profit or loss	(5,527)	-	(2,872)	-
8360 Conversion balance of financial statement translation of foreign operating agencies				
8361 Conversion balance of financial statement translation of foreign operating agencies	(2,907)	-	(45,270)	(4)
8399 Income tax related to items that may be reclassified to profit or loss (Note 6 (9))	494	-	468	-
Total subsequent items that may be reclassified to profit or loss	(2,413)	-	(44,802)	(4)
8300 Other comprehensive profit and loss for current period	(7,940)	-	(47,674)	(4)
8500 Total consolidated profit and loss for current period	\$ 439,535	30	216,717	17
Earnings per share (Note 6 (11))				
9750 Basic earnings per share (Unit: NTD)	\$ 15.07		9.83	
9850 Diluted Earnings Per Share (Unit: NTD)	\$ 14.99		9.74	

(See accompanying notes to individual financial statements.)

**(English Translation of Individual Financial Statements and Report Originally Issued in Chinese.)
NOVA TECHNOLOGY CORP.**

Changes in equity

For the Years ended December 31, 2017 and 2016

(expressed in thousands of New Taiwan Dollars)

	Reserve surplus					Total	Conversion balance of financial statement translation of foreign operating agencies	Total equity
	Common stock capital	Capital reserve	Statutory surplus reserve	Special surplus reserve	Undistributed surplus			
The balance of January 1, 2016	\$ 253,600	139,563	84,218	9,241	300,269	393,728	21,039	807,930
Net profit for the period	-	-	-	-	264,391	264,391	-	264,391
Other comprehensive profit and loss for current period	-	-	-	-	(2,872)	(2,872)	(44,802)	(47,674)
Total consolidated profit and loss for current period	-	-	-	-	261,519	261,519	(44,802)	216,717
Earnings allocation and distribution:								
Listed statutory surplus reserves	-	-	15,044	-	(15,044)	-	-	-
Common stock cash dividends	-	-	-	-	(88,760)	(88,760)	-	(88,760)
Common stock dividends	12,680	-	-	-	(12,680)	(12,680)	-	-
Cash capital increase	30,000	99,000	-	-	-	-	-	129,000
Cash increase to retain employee compensation costs	-	732	-	-	-	-	-	732
The balance of December 31, 2016	<u>296,280</u>	<u>239,295</u>	<u>99,262</u>	<u>9,241</u>	<u>445,304</u>	<u>553,807</u>	<u>(23,763)</u>	<u>1,065,619</u>
Net profit for this period	-	-	-	-	447,475	447,475	-	447,475
Other comprehensive profit and loss for current period	-	-	-	-	(5,527)	(5,527)	(2,413)	(7,940)
Total consolidated profit and loss for current period	-	-	-	-	441,948	441,948	(2,413)	439,535
Earnings allocation and distribution:								
Listed statutory surplus reserves	-	-	26,439	-	(26,439)	-	-	-
Special surplus reserve	-	-	-	23,763	(23,763)	-	-	-
Common stock cash dividends	-	-	-	-	(177,768)	(177,768)	-	(177,768)
Cash increase	43,000	615,266	-	-	-	-	-	658,266
Cash increase to retain employee compensation costs	-	11,984	-	-	-	-	-	11,984
The balance of December 31, 2017	<u>\$ 339,280</u>	<u>866,545</u>	<u>125,701</u>	<u>33,004</u>	<u>659,282</u>	<u>817,987</u>	<u>(26,176)</u>	<u>1,997,636</u>
Net profit for this period								

Note: The remuneration paid by the Supervisors of this Company from January 01 to December 31, 2016 and 2017 was NTD17,573 thousand and NTD2,610 thousand, respectively, and employees' compensation was NTD23,431 thousand and NTD13,141 thousand, respectively, which had been deducted from the consolidated income statement for each per

(See accompanying notes to individual financial statements.)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese.)

NOVA TECHNOLOGY CORP.

Statements of Cash Flows

For the Years ended December 31, 2017 and 2016

(expressed in thousands of New Taiwan Dollars)

	<u>2017</u>	<u>2016</u>
Cash flow for operating activities:		
Current period pre-tax net profit	\$ 544,773	312,783
Adjust items:		
Revenue and expense items that do not affect cash flow		
Depreciation expense	1,353	1,528
Listed bad debt losses	188	6,103
Interest expense	1,176	377
Interest income	(3,556)	(704)
Share base pay compensation costs	11,984	732
Compensate for declines in inventory and sluggish losses	(182)	(412)
The share of interest of subsidiary company recognized by equity method	(293,991)	(248,347)
Other	(283)	(254)
Total revenue and loss items that do not affect cash flow	<u>(283,311)</u>	<u>(240,977)</u>
Changes in assets/liabilities associated with operating activities:		
Net assets changes related to operating activities:		
Bills receivable and accounts receivable	176,606	(200,009)
Accounts Receivable – Related person	(63)	18,475
Receivable contract for construction	(54,706)	357,335
Inventories	(110,821)	(298,605)
Other current assets	(9,781)	(32,027)
	<u>1,235</u>	<u>(154,831)</u>
Net changes in liabilities related to operating activities:		
Bills payable and accounts payable	46,896	2,994
Cope with people	(65,428)	65,934
Payable for construction contract	(301,910)	160,674
Payable expenses and other current liabilities	284,205	130,344
	<u>(36,237)</u>	<u>359,946</u>
Total project adjustments	<u>(318,313)</u>	<u>(35,862)</u>
Cash flow from operations	226,460	276,921
Interest received	3,556	704
Interest paid	(1,182)	(372)
Income tax paid	(40,332)	(18,785)
Net cash inflow from operating activities	<u>188,502</u>	<u>258,468</u>
Cash flow for investment activities:		
Acquisition of real estate, plant and equipment	(3,117)	(553)
Obtaining subsidiary cash dividends	20,000	86,633
Decrease (increase) in other non-current assets	(3,550)	297
Set up subsidiary capital investment	-	(56,656)
Net cash inflow from investment activities	<u>13,333</u>	<u>29,721</u>
Cash flow from financing activities:		
Cash dividend payment	(177,768)	(88,760)
Cash increase	658,266	129,000
Net cash inflow from financing activities	<u>480,498</u>	<u>40,240</u>
Current cash and contract cash increase	682,333	328,429
Cash and approximate cash balance at beginning of this period	418,495	90,066
Cash and cash balances at end of this period	<u>\$ 1,100,828</u>	<u>418,495</u>

(See accompanying notes to individual financial statements.)

Independent Auditors' Report

To Board of Directors of NOVA TECHNOLOGY CORP.:

Opinion

We have audited the consolidated financial statements of NOVA TECHNOLOGY CORP. and its subsidiaries 's ("the Group"), which comprise the consolidated balance sheet as of December 31, 2017 and 2016, the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2017 and 2016, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Project revenue recognition (including estimation of estimated total cost)
Refer to Note 4(14) "Revenue", Note 5 "Major source of accounting assumptions, judgments, and estimation uncertainty: Project revenue recognition(including estimation of estimated total cost)" and Note 6(3) "Construction contracts" to the consolidated financial statements.

Descriptions of key audit matters :

The percentage of project completion rate of the construction of the Group project revenue is recognized according to the engineering degree during contract period, engineering degree is calculated by reference to the cost incurred from each contract to the end of reporting period, and will be renewed when contract has a significant additional budget. Assess the estimated total contract costs and recalculate the percentage of completion based on the adjusted total costs. The correctness of the project revenue of the Group, is affected by the appropriate estimation of engineering costs and the estimated total project costs. Consequently, revenue recognition is one of the key matters for our audit.

How the matter was addressed in our audit :

The main auditing procedures of the above key auditing matters by accountants include: reviewing major contracts to understand the specific terms and risks of each contract, testing the relevant internal controls of operating income and collection operations cycle to confirm whether there are major anomalies; the total cost is one of the important accounting estimates of this Group, accountants interviewed and updated the Group 's preparation and approval process for the estimated total contract costs in each period, understood the process of accounting estimates made by management and considered other internal and external as well as positive and negative evidence, and other information, to assess the rationality of the assumptions used by management, and to examine the causes of differences between estimated total costs and actual total closing costs of some sample projects; when auditors inspected the change in estimated total cost, they will consider whether the estimate of the management's estimated cost to be completed at the date of completion, the possibility of the expected reversal of the change consideration, etc. is objective and reasonable; at the same time, it will also assess whether the recognition of revenue is subject to relevant regulations, whether the disclosure of relevant contract costs is allowed.

2. The assessment of accounts receivable

Refer to Note 4(7) “Financial instruments”, Note 5 “Major source of accounting assumptions, judgments, and estimation uncertainty: Impairment of trade receivables” and Note 6(2) “The net of notes and accounts receivables” to the consolidated financial statements.

Descriptions of key audit matters :

The recoverable of the Group’s receivables is closely related with business cycle and customers’ operating situation. The Group’s management estimate impairment for receivables by assessing each customers' financial status and historical payment record. Impairment of receivables involves judgment and estimation uncertainty of the Group’s management. Consequently, impairment of receivables is one of the key matters for our audit.

How the matter was addressed in our audit :

Our principal audit procedures included: testing related internal control of account receivable; reviewing collection of notes and accounts receivable during the subsequent period; evaluating the Group’s assumption of impairment by performing receivables aged analysis; assessing whether the impairment is fairly presented.

3. Estimation of Project Loss

Refer to Note 4(9) “Project Contracts”, Note 5 “Major source of accounting assumptions, judgments, and estimation uncertainty: Recognition and measurement of estimation of project loss” and Note 9 “Major Contingent Liabilities and Unknown List Contract commitment(4)” to the consolidated financial statements.

Description of key inspects items:

The Group for any work case, when judging the contract cost is not very likely to recover, it will be immediately recognized as a cost, which is estimated to involve the subjective judgment of management authority. Consequently, impairment of receivables is one of the key matters for our audit.

How the matter was addressed in our audit :

The main auditing procedures of above key auditing matters by accountants include: comparing the amount of project losses and losses that had actually occurred in the past, assessing and understanding the methods used by management to estimate losses, including the methods of use, sources of information used, and whether there are It may lead to the need to correct accounting estimates and

assess whether it meets the accounting principles and the appropriateness of disclosure; if the case has entered legal proceedings, the possibility of recovery of costs depends on the outcome of pending lawsuit, and related liabilities will still be used for reference, the conditions for recognition are assessed.

Other items

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2017 and 2016, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our

auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

February 22, 2018

The auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Individual Financial Statements and Report Originally Issued in Chinese.)

NOVA TECHNOLOGY CORP. and its subsidiaries

Statements of Comprehensive Income

For the years ended December 31, 2017, and 2016

(expressed in thousands of New Taiwan Dollars, except earnings per share)

		2017		2016	
		Amount	%	Amount	%
4110	Operating revenue (Notes 6 (3), (11) and 7)	\$ 3,342,542	100	2,651,372	100
5110	Operating costs (Notes 6 (3), (4), (7) and 7)	2,345,098	70	2,063,317	78
5900	Gross profit	997,444	30	588,055	22
	Operating expenses (Notes 6 (7), (13)):				
6100	Selling	51,892	1	58,852	3
6200	General and administrative	187,705	6	138,105	5
6300	Research and development costs	81,945	3	59,846	2
		321,542	10	256,803	10
	Operating income	675,902	20	331,252	12
	Non-operating income and expenses:				
7020	Other interests and losses (Note 6 (12))	(78,015)	(2)	22,684	1
7050	Financial costs (Note 6 (12))	(1,176)	-	(377)	-
		(79,191)	(2)	22,307	1
7900	Profit before tax	596,711	18	353,559	13
7950	Less: Income tax expense (Note 6(8))	149,236	5	89,168	3
	Profit for the year	447,475	13	264,391	10
8300	Other comprehensive income, net of tax:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Determining the number of remeasurements of welfare plan (Note 6 (7))	(5,527)	-	(2,872)	-
8349	Income tax related to non-reclassified items	-	-	-	-
	Total items not reclassified to profit or loss	(5,527)	-	(2,872)	-
8360	Subsequent items that may be reclassified to profit or loss				
8361	Conversion balance of financial statement translation of foreign operating agencies	(2,907)	-	(45,270)	(2)
8399	Income tax related to items that may be reclassified to profit or loss (Note 6(8))	494	-	468	-
	Total subsequent items that may be reclassified to profit or loss	(2,413)	-	(44,802)	(2)
8300	Other comprehensive profit and loss for current period	(7,940)	-	(47,674)	(2)
8500	Total consolidated profit and loss for current period	\$ 439,535	13	216,717	8
	Earnings per share (Note 6 (10))				
9750	Basic earnings per share (Unit: NTD)	\$ 15.07		9.83	
9850	Diluted earnings per share (Unit: NTD)	\$ 14.99		9.74	

(See accompanying notes to consolidated financial statements.)

(English Translation of Individual Financial Statements and Report Originally Issued in Chinese.)

NOVA TECHNOLOGY CORP. and its subsidiaries

Consolidated Statement of Changes in Equity

For the Years ended December 31, 2017 and 2016

(expressed in thousands of New Taiwan Dollars)

	Common stock capital	Capital reserve	Reserve earnings			Conversion balance of financial statement translation of foreign operating agencies	Total equity	
			Statutory surplus reserve	Special surplus reserve	Undistributed surplus			Total
Balance on January 1, 2016	\$ 253,600	139,563	84,218	9,241	300,269	393,728	21,039	807,930
Net profit of this period	-	-	-	-	264,391	264,391	-	264,391
Other comprehensive profit and loss for current period	-	-	-	-	(2,872)	(2,872)	(44,802)	(47,674)
Total consolidated profit and loss for current period	-	-	-	-	261,519	261,519	(44,802)	216,717
Earnings allocation and distribution:								
Listed statutory earnings reserves	-	-	15,044	-	(15,044)	-	-	-
Common stock cash dividends	-	-	-	-	(88,760)	(88,760)	-	(88,760)
Common stock dividends	12,680	-	-	-	(12,680)	(12,680)	-	-
Cash increase	30,000	99,000	-	-	-	-	-	129,000
Cash increase to retain employee compensation costs	-	732	-	-	-	-	-	732
Balance on December 31, 2016	296,280	239,295	99,262	9,241	445,304	553,807	(23,763)	1,065,619
Net profit of this period	-	-	-	-	447,475	447,475	-	447,475
Other comprehensive profit and loss for current period	-	-	-	-	(5,527)	(5,527)	(2,413)	(7,940)
Total consolidated profit and loss for current period	-	-	-	-	441,948	441,948	(2,413)	439,535
Earnings allocation and distribution:								
Listed statutory surplus reserves	-	-	26,439	-	(26,439)	-	-	-
Special earnings reserve	-	-	-	23,763	(23,763)	-	-	-
Common stock cash dividends	-	-	-	-	(177,768)	(177,768)	-	(177,768)
Cash increase	43,000	615,266	-	-	-	-	-	658,266
Cash increase to retain employee compensation costs	-	11,984	-	-	-	-	-	11,984
Balance on December 31, 2017	\$ 339,280	866,545	125,701	33,004	659,282	817,987	(26,176)	1,997,636

(See accompanying notes to consolidated financial statements.)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese.)

NOVA TECHNOLOGY CORP. and its subsidiaries

Consolidated Cash Flow Statement

January 01 to December 31, 2016 and 2017

(expressed in thousands of New Taiwan Dollars)

	<u>2017</u>	<u>2016</u>
Cash flow of operating activities:		
Current pre-tax net profit	\$ 596,711	353,559
Adjust items:		
Revenue and expense items that do not affect cash flow		
Depreciation expense	6,671	5,920
Loss of bad debts (recovery gains)	(12,060)	10,348
Interest expense	1,176	377
Interest income	(11,555)	(3,028)
Share base pay compensation costs	11,984	732
Listed inventory declines and sluggish losses	2,414	9,356
Others	460	(137)
Total revenue and loss items that do not affect cash flow	<u>(910)</u>	<u>23,568</u>
Changes in assets/liabilities associated with operating activities:		
Net assets changes related to operating activities:		
Bills receivable and accounts receivable	159,015	79,900
Accounts receivable – Related person	-	18,475
Receivable contract for construction	(341,917)	505,165
Inventories	(540,099)	(37,191)
產 Other current assets	<u>(57,311)</u>	<u>(93,060)</u>
	<u>(780,312)</u>	<u>473,289</u>
Net changes in liabilities related to operating activities:		
Bills payable and accounts payable	375,379	(227,959)
Cope with people	(140)	1,584
Payable for construction contract	(303,946)	164,625
Advance payment	659,007	30,473
Payable expenses and other current liabilities	<u>197,094</u>	<u>54,661</u>
	<u>927,394</u>	<u>23,384</u>
Total project adjustments	<u>146,172</u>	<u>520,241</u>
Cash flow from operations	742,883	873,800
Interest received	11,555	3,028
Interest paid	(1,182)	(372)
Income tax paid	<u>(79,022)</u>	<u>(74,492)</u>
Net cash inflow from operating activities	<u>674,234</u>	<u>801,964</u>
Cash flow from investment activities:		
Acquisition of real estate, plant and equipment	(14,103)	(12,764)
Disposition of real estate, plant and equipment	150	-
Increase in other non-current assets	<u>(3,864)</u>	<u>(938)</u>
Net cash outflow from investment activities	<u>(17,817)</u>	<u>(13,702)</u>
Cash flow from financing activities:		
Cash dividend payment	(177,768)	(88,760)
Cash increase	<u>658,266</u>	<u>129,000</u>
Net cash inflow from financing activities	<u>480,498</u>	<u>40,240</u>
Effect of exchange rate changes	<u>(3,485)</u>	<u>(31,667)</u>
Current cash and contract cash increase	1,133,430	796,835
Cash and approximate cash balance at the beginning of this period	1,112,918	316,083
Cash and cash balances at the end of this period	<u>\$ 2,246,348</u>	<u>1,112,918</u>

(See accompanying notes to consolidated financial statements.)

[Annex 3] Audit Committee's Review Report

NOVA TECHNOLOGY CORP. Audit Committee's Review Report

This company's 2017 financial statements have been approved by the audit committee and resolved by the board of directors. The foregoing financial statements have been audited by CPA of KPMG under commission to the board, and the auditor has issued an audit report relating to the financial statements.

This company's 2017 business report and earnings distribution proposal have been prepared and issued by the board of directors. The foregoing business report and earnings distribution proposal have been reviewed and determined to be correct and accurate by the audit committee. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

2018 shareholders meeting of NOVA TECHNOLOGY CORP.

NOVA TECHNOLOGY CORP.

Chairman of the Audit Committee: Ye, Shu

February 22, 2018

[Annex 4] Comparison Table of the Rules of Procedure for Board of Directors Meeting

Before revision	After revision	Description
<p>12</p> <p>1. Company's operating plan.</p> <p>2. Annual financial report and semi-annual financial report. However, semi-annual financial report is not limit to require by law to without auditor's examination.</p> <p>3. To establish or revise internal control system and the effectiveness of the internal control system. In accordance with Article 14 of the Securities Exchange Act (hereinafter referred to as the Securities Exchange Act).</p> <p>4. Procedures for the preparation or amendment of any major financial business activities that acquire or dispose of assets, engage in derivative commodity transactions, provide funds to others, endorse or provide guarantees for others in accordance with the provisions of Article 36 of the Securities and Exchange Act.</p> <p>5. To raise, issue or privately offer securities of a proprietary nature.</p> <p>6. The appointment or dismissal of financial, accounting or internal audit supervisors.</p> <p>7. Donations to related parties or major donations to non-related person. However, public welfare donations that are difficult to rescue due to major natural disasters may be submitted for approval by the next board of directors.</p> <p>8. According to Article 14ter of the Securities Exchange Act, other laws and regulations or articles of association shall stipulate that the shareholders meeting shall decide or refer the matters decided by the board of directors or the major matters stipulated by the competent authority.</p> <p>The related party referred to in Paragraph 7 of the preceding paragraph refers to the person regulated by the criteria for the preparation of the financial report of the issuer of the securities; the alleged significant donation to the non-relationship person refers to the amount of each donation or cumulative donation to the same person within one year to the new station. More than NTD one hundred million yuan, or up to one percent of the net operating income from the financial report of the accountant's visa in the most recent year or more than five percent of the paid-in capital. (If foreign company's stock is non-detailed or if face value per share is not NT\$10, the amount of 5% of paid-in capital in this item shall be calculated</p>	<p>12</p> <p>1. Company's operating plan.</p> <p>2. Annual financial report and semi-annual financial report. However, semi-annual financial report is not limit to require by law to without auditor's examination.</p> <p>3. To establish or revise internal control system in accordance with Article 14 of the Securities Exchange Act (hereinafter referred to as the Securities Exchange Act).</p> <p>4. Procedures for the preparation or amendment of any major financial business activities that acquire or dispose of assets, engage in derivative commodity transactions, provide funds to others, endorse or provide guarantees for others in accordance with the provisions of Article 36 of the Securities and Exchange Act.</p> <p>5. To raise, issue or privately offer securities of a proprietary nature.</p> <p>6. The appointment or dismissal of financial, accounting or internal audit supervisors.</p> <p>7. Donations to related parties or major donations to non-related person. However, public welfare donations that are difficult to rescue due to major natural disasters may be submitted for approval by the next board of directors.</p> <p>8. According to Article 14ter of the Securities Exchange Act, other laws and regulations or articles of association shall stipulate that the shareholders meeting shall decide or refer the matters decided by the board of directors or the major matters stipulated by the competent authority.</p> <p>The related party referred to in Paragraph 7 of the preceding paragraph refers to the person regulated by the criteria for the preparation of the financial report of the issuer of the securities; the alleged significant donation to the non-relationship person refers to the amount of each donation or cumulative donation to the same person within one year to the new station. More than NTD one hundred million yuan, or up to one percent of the net operating income from the financial report of the accountant's visa in the most</p>	<p>In line with the amendments to the “Measures for the matters concerning the board of directors of the public company,” amend this section:</p> <p>I. Consideration of Article 14 5 of the Securities Exchange Act The “Evaluation of the Effectiveness of the Internal Control System” of the audit committee’s terms of reference is also a significant issue. It should be discussed by the board of directors and added in paragraph 3 of the first paragraph.</p> <p>2, in order to clarify the powers of independent directors and further strengthen their participation in the operation of the board of directors, the fourth provision of the amendments stipulates that clear define shall have at least one independent director to attend the board of directors in person; for the first item to be mentioned by the board of directors, all independent directors should attend If the board of directors or independent directors cannot attend in person, other independent directors should be appointed to attend the meeting.</p> <p>3. The second, third paragraph of discretionary text adjustment.</p>

Before revision	After revision	Description
<p>based on 2.5% of shareholders' equity.) The one-year period mentioned in the preceding paragraph is based on the date of the meeting of the board of directors and is calculated retrospectively for one year. It has been proposed that the resolution passed by the board of directors will not be counted.</p> <p>There should be at least one independent director who personally attends the board of directors; for the first item of 3rd Article 14 of the Securities and Exchange Act that should be submitted to the resolution of the board of directors, all independent directors should attend the board of directors, if independent directors cannot attend the board, they should be represented by other independent directors. If an independent director has objections or reservations, he or she shall specify in the proceedings of the board of directors; if an independent director cannot personally attend the board of directors to express objections or reservations, he shall, unless there is a valid reason, issue a written opinion in advance and specify in the minutes of the board of directors. .</p>	<p>recent year or more than five percent of the paid-in capital. (If foreign company's stock is non-detailed or if face value per share is not NT\$10, the amount of 5% of paid-in capital in this item shall be calculated based on 2.5% of shareholders' equity.)</p> <p>The one-year period mentioned in the preceding paragraph is based on the date of the meeting of the board of directors and is calculated retrospectively for one year. It has been proposed that the resolution passed by the board of directors will not be counted.</p> <p>The independent directors shall be subject to resolutions of the board of directors in 3rd of Article 14th of the Securities Exchange Act, independent directors shall be present in person or appointed by other independent directors to represent them. If an independent director has objections or reservations, he or she shall specify in the proceedings of the board of directors; if an independent director cannot personally attend the board of directors to express objections or reservations, he shall, unless there is a valid reason, issue a written opinion in advance and specify in the minutes of the board of directors. .</p>	

[Annex 5] Comparison Table of the Procedure for Acquisition or Disposal of Assets

After revision	Before revision	Description
<p>11.1 The company is engaged in derivative commodity trading, to circumvent the risks caused by fluctuations in exchange rates, interest rates or asset prices, in order to hedge against the foreign currency positions receivable/payable or financial asset liability due to the company's business within the next six months. Before the transaction is conducted, it must be determined as a safe-haven operation.</p>	<p>11.1 The company is engaged in derivative commodity trading, to circumvent the risks caused by fluctuations in exchange rates, interest rates or asset prices, in order to hedge against the foreign currency positions receivable/payable due to the company's business within the next six months. Before the transaction is conducted, it must be determined as a safe-haven operation.</p>	In line with the revision of company's operation management
<p>11.3.1(2) The types of transactions are limited to currency exchange contracts and swap exchanges. The company does not engage in trading operations.</p>	<p>11.3.1(2) The company does not engage in trading operations.</p>	In line with the revision of company's operation management
<p>11.3.2(2) If the individual (all) contract losses of the company are at a loss of more than 5% of the market price, they shall report to the chairman for approval whether or not the position will be settled. The maximum individual (all) contract loss limit shall not exceed the limit of 10% of the individual (all) transaction contract amount. If the maximum loss limit is exceeded, the announcement shall be made in accordance with the "13 Announcement Declaration Procedure". The company does not engage in trading operations.</p>	<p>11.3.2(2) The company does not engage in trading operations.</p>	In line with the revision of company's operation management
<p>15 This company has directly or indirectly waived the capital increase of Shanghai WinmaxTechnology Corp. (hereinafter referred to as Winmax Company) and Suzhou WinmaxTechnology Corp. (hereinafter referred to as Suzhou Winmax Company) in each year, either directly or indirectly. If Winmax Company and Suzhou Winmax Company hold shares, the company will lose its substantive control over Winmax Company and Suzhou Winmax Company, and it must first pass a special resolution of the board of directors of the company, and independent directors should attend and express their opinions. The contents of the resolution and the amendments to this article should be opened and public information should be entered into the major observing station information to be disclosed and a letter to the counter buying center for future reference. This company must not give up the capital increase for Shanghai WinmaxTechnology Corp. in the coming years; in the future, if this company considers it through strategic alliances or other agreements, it must abandon the capital increase or disposition of above company. Starting a company must be approved by a special resolution of the board of directors.</p>	<p>15 This company must not give up the capital increase for Shanghai Winmax Technology Corp. in the coming years; in the future, if this company considers it through strategic alliances or other agreements, it must abandon the capital increase or disposition of above company. Starting a company must be approved by a special resolution of the board of directors.</p>	In line with the revision of company's operation management

[Annex 6] Comparison Table of the Regulations Governing Remuneration Paid to Directors

After revision	Before revision	Description
<p>3.6 6. If legal directors need to actually participate in the company's business operations, they will be paid NT\$50,000 per month fee after being confirmed by the board of directors.</p> <p>6. The chairman or the directors of the company perform the duties of this company. The individual remuneration of this company shall be submitted to the board of directors for resolution after the remuneration committee makes recommendations based on the level of inter-industry participation, based on the value of the personnel's participation in and contribution to the company's operations.</p>	<p>3.6 6. The chairman or the directors of the company perform the duties of this company. The individual remuneration of this company shall be submitted to the board of directors for resolution after the remuneration committee makes recommendations based on the level of inter-industry participation, based on the value of the personnel's participation in and contribution to the company's operations.</p>	<p>In order to implement corporate governance, the board of directors of the company has a reasonable system of compliance.</p>
<p>4 The present Measures shall come into effect after being resolved by the shareholders' meeting, and shall also be the same when amended.</p> <p>These Measures shall come into effect after the resolution of the board of directors and shall also be the same when it is amended; after the establishment of company remuneration committee, this method shall be reviewed by the remuneration committee and shall be the same when it is amended.</p>	<p>4 These Measures shall come into effect after the resolution of the board of directors and shall also be the same when it is amended; after the establishment of company remuneration committee, this method shall be reviewed by the remuneration committee and shall be the same when it is amended.</p>	<p>In order to implement corporate governance, the board of directors of the company has a reasonable system of compliance.</p>

9. Appendix

Appendix I Rules of Procedure for Board of Directors Meeting < Before the revision >

Rules of Procedure for Board of Directors Meeting

- Article 1 : The basis of this Procedures
In order to establish the Company's Board of Directors governance system, improve the supervision function and strengthen management functions, the Procedures for Board of Directors Meetings of Public Companies has been established in order to comply with regulations.

- Article 2 : The scope of this Procedures
The proceedings of the CompanyBoard of Directors' Procedures, its main proceedings, operation procedures, Minutes of Meeting matters, announcements and other matters to be observed shall be handled in accordance with the requirements of this Procedures.

- Article 3 : Calling and Meeting Notice for Board of Directors
The CompanyBoard of Directors is called at least once every quarter.
The Board of Directors' convening shall set out the reasons and notify the directors seven days in advance. However, in times of emergency, they must be called at any time.
The notification of the preceding item of convocation shall be made electronically by the consent of the counterpart.
The matters in Article 12-1 of this Procedures shall be listed in the matter of convening, except for unexpected emergencies or justifications, and shall not be submitted by Temporary motion.

- Article 4 : Conference notices and information
The Board of Directors designated by the Company is the general manager's office. The unit should prepare the Board of Directors' content and provide enough meeting materials to send it together with the notice.
If the directors think that the meeting materials are not sufficient, they may request the meeting units to make up. If directors consider that the information on the bill is not sufficient, they may delay the deliberation of the Board of Directors' resolution.

- Article 5 : Preparation of documents such as scrapbooks and delegation of directors
When the Company Board of Directors is convened, a scrapbook should be set up for directors and attendants to sign for examination.
Director should attend the Board of Directors personally. If he cannot attend in person, he may appoint other directors to attend according to the Articles of Association of the Company. If video conferencing participants are considered to be present in person, they should sign the card by fax to sign on behalf of the group. If the directors commission other directors to attend the Board of Directors, they should issue a power of attorney each time and list the scope of the authorization for the cause.
The agent of preceeding two paragraphs shall be limited to the commission of one person.
- Article 6 : Principle of Board of Directors Meeting Venues and Time
The company's Board of Directors' venue and time should be based on the company's location and office hours, or be convenient for directors to attend and suit the Board of Directors's venues and time.
- Article 7 : Board of Directors' Chairperson and Agent
The CompanyBoard of Directors should be called by the directors to serve as Chairperson. However, for the first time each Board of Directors, Ballots from Shareholders' meeting shall call on behalf of directors with the highest voting power. The Chairperson of the meeting shall be held by the convener. When there are more than two callers, one person should be elected.
When the chairman takes leave or fails to exercise his power for any reason, he or she shall be represented by the deputy directors, and if the deputy chairman or deputy chairman of the board of directors does not take leave or may not exercise his power for any reason, the chairman shall appoint one of the standing directors. If there is no general director, the designated director is the one who has no agent designated by the director, and the general director or director invokes one agent.

- Article 8 : Board of Directors reference materials, attendees and convening
When the Company Board of Directors is convened, the General Manager's Office shall prepare relevant materials for inspection by the directors at any time.
When Board of Directors is held, it may be necessary to notify the relevant department or a member of a subsidiary company of the contents of the proposal. When necessary, they may also invite accountants, lawyers or other professionals to attend the meeting.
Board Chairman of the Board of Directors shall immediately announce the meeting when he has already had a half of the directors present. At the time of the meeting, if there are half of all the directors, the Chairperson has to postpone the meeting. The number of postponements is limited to the second time. If the second time is not enough, the Chairperson can reconvene according to Article 3-2. .
All directors of the preceding paragraph and in paragraph 2 Article 16-2 shall be calculated by the actual incumbent.
- Article 9 : Board of Directors recording or video of meetings
After the public offering, the Company Board of Directors shall have a recording or video recording of the entire meeting and shall keep it for at least five years. The preservation of the company Board of Directors shall be made electronically. Before the expiration of the retention period of the preceding paragraph, when a lawsuit concerning the Board of Directors related resolutions occurs, the related audio or video recording data shall be retained until the conclusion of the lawsuit. For the video conference convener, its video and audio data are part of the conference record and should be properly maintained during the company's existence.
- Article 10 : Content of the proceedings
The company's periodic Board of Directors content includes at least the following items:
1. Report items:
(i) Record and implementation of the last meeting.
(ii) Important financial business reports.
(iii) Internal Audit Business Report.
(iv) Other important reporting matters.
2. Discussion items:
(i) Discussions reserved at the previous meeting.
(ii) Scheduled discussion items for this meeting.
3, Temporary motion.

Article 11 : Motion discussion

The Board of Directors of the Company shall proceed according to the content of the proceedings scheduled in the notice of the meeting, but may be changed by the majority of the directors who have agreed to attend the meeting.

In the absence of more than half of the directors agreed, Chairperson shall not announce the meeting.

Board of Directors In the course of the proceedings, if the directors do not reach the majority of the directors, the Chairperson shall announce the suspension of the meeting, and use Article 8-3.

Article 12 : The following matters should be discussed in the Company Board of Directors:

1. The company's operating plan.
2. Annual financial report and semi-annual financial report. However, this is not the limit for those who are required by law to order a semi-annual financial report without the auditor's examination of the visa.
3. To stipulate or revise the internal control system in accordance with Articles 14-1 of the Securities and Exchange Act (hereafter referred to as the Act).
4. Procedures for determining or amending the conduct of major financial business activities that acquire or dispose of assets, engage in derivative commodity transactions, make loans to others, endorse or warrant for others, in accordance with Article 36-1 of the Securities Exchange Act.
5. To raise, issue or privately offer securities of equity nature.
6. Appointment or removal of financial, accounting or internal audit supervisors.
7. Donations to related parties or major donations to non-related persons. However, due to public welfare donations for major natural disasters that are difficult to rescue, the Board of Directors will be required to identify them.
8. According to Article 14-3 of the Securities and Exchange Act, other laws or Articles of Association stipulations shall be resolved by Shareholders' meeting or submitted by Board of Directors, or the major matters stipulated by the competent authority.

The related person referred to in the preceding paragraph 7 refers to the person involved in Procedures for the preparation of the financial report of the issuer of the securities; the alleged major donation to non-relationship refers to the amount of each donation or the cumulative amount of donations to the same person within one year. NT\$100 million or more, or up to 1% of the net operating income of financial reports by accountants' visas in the most recent year or more than 5% of the paid-in capital. (If the foreign company's stock is non-detailed or if the denomination per share is not NT\$10, the amount of 5% of the paid-in capital in this item shall be calculated as 2.5% of shareholder equity.)

Within the one-year period mentioned in the preceding paragraph, the date of the Board of Directors' meeting was used as a benchmark, and the Board of Directors was retroactively extrapolated for one year.

Independent director is required to resolve Board of Directors' decisions in Article 14ter of the Securities Exchange Act. The independent director should attend or appoint other independent directors to attend. If an independent director has objections or reservations, it shall be stated in the Board of Directors Minutes of Meeting; if the independent director cannot personally attend the Board of Directors to express objections or reservations, he shall give written opinions in advance unless there is a valid reason. It is stated in the Board of Directors Minutes of Meeting.

Article 13 : Resolution 1

When Chairperson discusses the motion and thinks that the degree of voting can be reached, he may announce that he will stop the discussion and put it to the vote.

When the Company Board of Directors motion was voted on, the person who had no objection to the directors through consultation with the Chairmanperson was deemed to have passed. If there is disagreement in the consultation with the Chairmanperson, it shall be put to the vote.

The voting method is selected by Chairperson in accordance with the provisions of the following paragraphs, but if the attendees have objections, they should seek the opinion of the majority:

1. A show of hands or a voter vote.
2. Roll call vote.
3. Vote for resolution.
4. The company's own choice of vote.

The first two paragraphs alleged that the attendants of the directors do not include the directors who are not allowed to exercise their voting rights under the first item of Article 15.

Article 14 : Resolution 2 and scrutineering and counting methods

In addition to the resolutions of the Company Board of Directors and the Company Act, there shall be more than half of the Directors present, and a majority of the directors shall attend the resolution.

When the same motion has an amendment or alternative, the Chairperson shall set the voting order with the original case. However, if one of the cases has been passed, other motions will be considered negative and no further voting will be required.

Voting by the Chairperson is not mandatory if voting on the bill is necessary for the setting up of scrutineers and counting personnel, but the scrutineers shall have the status of directors.

The result of the vote shall be reported on site and a record shall be made.

Article 15 : Director's interest avoidance system

Directors who have a stake in a conference event are legally interested in their own or their legal representative. They should be aware of the important content of their interest in the Board of Directors. If they are harmful to the interests of the company,

they must not join the discussion and vote and discuss and vote should To evade and not to act on behalf of other directors exercising their voting rights.

The Company Board of Directors resolution applies Article 180-2 regulations for the directors who are not allowed to exercise the voting rights under the preceding paragraph according to the Company Act Article 206-3.

Article 16 : Meeting minutes and signed matters

The Company Board of Directors shall make a Minutes of Meeting. The Minutes of Meeting shall record the following items:

1. The session (or year) and time and place of the meeting.
2. The name of the Chairperson.
3. The status of director's attendance includes the attendance, leave of absence and the names and number of absent persons.
4. Names and titles of the participants.
- 5, the name of the record.
6. Report items.
7. Matters discussed: resolution methods and results of resolutions, directors, supervisors, experts, and other personnel's speeches. The name of the directors involved in the interest of the first item of the preceding article, the description of the important contents of the stakes, and their avoidance requirements. Do not circumvent the reasons, avoid situations, objections or reservations, and have written or written statements and independent directors issued written opinions in accordance with Article 12, paragraph 4.
8. Temporary motion: the sponsor's name, the resolution method and result of the proposal, directors, supervisors, experts, and other personnel's speech summary, and the name of the directors involved in the first item of the preceding article, the description of the important contents of the stakeholder Avoid or do not evade reasons, avoid situations and objections or reservations and have records or written statements.
9. Other items to be recorded.

Board of Directors resolve matters that, if any of the following circumstances, are stated in the Minutes of Meeting, and shall be announced within two days of the Board of Directors at the public information observing station designated by the Financial Supervisory Commission of the Executive Yuan. declare:

1. Independent director has objections or reservations and there are records or written statements.
 2. If the company has an Audit Committee, it has not been approved by the Company Audit Committee but has been approved by more than two-thirds of all directors.
- The Board of Directors check-in booklet is part of the Minutes of Meeting and should be kept during the company's existence.

The Minutes of Meeting shall be signed or sealed by the Chairperson and the record officer of the meeting and shall be distributed to all directors and supervisors within 20 days after the meeting. It should be included in the Company's important archives and kept in good condition during the company's existence.

The production and distribution of the Minutes of Meeting of the first paragraph can be done electronically.

Article 17 : Board of Directors' Authorization Principle

In addition to the discussion of the Board of Directors of the Company in the first item of Article 12, the Board of Directors or the Articles of Association of the Board of Directors may authorize directors to exercise the authority of the Board of Directors. Its authorization content is as follows:

1. Authorized by the Board of Directors as required by law.
2. According to the company's "nuclear decision list" provision.
- 3, according to company regulations, systems and methods.
4. Transfer of investment company directors and supervisors.
5. Appraisal of base date of capital increase or decrease and base date of cash dividend distribution.
6. Other company-related matters that are not subject to statutes, Articles of Association, Shareholders' meeting, and Board of Directors resolutions. However, matters involving major interests of the company should still be resolved through the Board of Directors.

Article 18 : Supplementary Articles

The Procedures shall be agreed upon by the Company Board of Directors and a Shareholders' meeting report shall be submitted. If there is any amendment in the future, it will be authorized by the Board of Directors.

Appendix II Procedure for Acquisition or Disposal of Assets < Before the revision >

Procedure for Acquisition or Disposal of Assets

1 Purpose and source of Act

The Company has established this operating procedure in accordance with Article 36 of the Securities and Exchange Act and "Criteria for Handling Acquisition and Disposal of Assets by Public Companies" for the purpose of strengthening asset management, safeguarding investment, and implementing information disclosure. Acquiring or disposing of assets is performed in accordance with the provisions of this procedure.

2 Asset scope

The scope of the assets referred to in this procedure is as follows:

- 2.1 Stocks, public debts, corporate bonds, financial bonds, recognition of the fund's securities, depository receipts, subscriptions (sales) warrants, beneficiary securities, and asset-based securities.
- 2.2 Real estate (including land, housing and construction, investment property, land use rights, and construction industry inventory) and equipment.
- 2.3 Membership Card.
- 2.4 Intangible assets such as patents, copyrights, trademark rights, franchise rights, etc.
- 2.5 Claims of financial institutions (including accounts receivable, purchase discounts, lending, and collection payments).
- 2.6 Derived goods.
- 2.7 Assets acquired or dispositioned by merger, division, acquisition or transfer of shares pursuant to law.
- 2.8 Other important assets.

3 Glossary

3.1 Derivative Products:

It refers to the forward contracts whose value is derived from commodities such as assets, interest rates, exchange rates, indices or other interests, futures contracts, futures contracts, leveraged margin contracts, exchange contracts, and the combination of these commodities. The so-called forward contracts do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term import (sales) contracts.

3.2 Assets acquired or dispositioned in accordance with law mergers, divisions, acquisitions or share transfers:

Refers to assets acquired or discontinued pursuant to the Mergers and Acquisitions Act,

the Company Act, the Merger Act of the Financial Institutions, or other laws, mergers, divisions, or acquisitions, or the issuance of new shares pursuant to Article 156, Article 8 of the Company Act Received shares of other companies (hereinafter referred to as shares).

3.3 Relationships, Subsidiaries:

It shall be determined in accordance with Regulations Governing the Preparation of Financial Reports.

3.4 Professional Valuer:

Refers to real estate appraisers or other persons who may engage in the evaluation of real estate and equipment according to law.

3.5 The date of the facts:

Refers to the date of the transaction contract date, payment date, commission transaction date, transfer date, Board of Directors resolution day or other sufficient amount to determine the date of transaction and the transaction amount, and other dates. However, investors who are required to be approved by the competent authority shall be subject to the above date or the date of approval of the competent authority.

3.6 Investment in the Mainland:

Refers to investments in mainland China engaged in regulations concerning investment or technical cooperation licensing in the mainland by the Investment Review Commission of the Ministry of Economic Affairs.

3.7 The so-called “The latest financial statement” means that the company publicly audits the financial statements audited or certified by the accountant before obtaining or disposing of the assets.

4 The company obtains a valuation report or a statement of accountants, lawyers, or securities underwriters. The professional valuer and its appraiser, accountant, lawyer, or securities underwriter cannot be related to the company.

5 Limits for acquisition of real estate or securities not for business use

5.1 The company and its subsidiaries individually obtain the following limits for real estate or securities not used for business use:

5.1.1 The total amount of real estate not purchased for business use must not exceed 50% of the company's latest net financial statement.

5.1.2 The total amount of portfolio investment may not exceed 50% of the company's latest financial statement's net value; the amount of individual portfolio investment may not exceed 30% of the company's latest financial statement's net value. The calculation of the value of securities investment does not include guaranteed securities.

5.2 The Company's re-investment is subject to the Board of Directors resolution authorizing the company's Articles of Association to do so. It is not subject to the thirteenth article of

the Company Act and must not exceed the limit of forty percent of paid-in capital.

6 Obtain or Dispose of Evaluation and Operating Procedures for Securities

6.1 Price Determination Method and Reference

In order to obtain or dispose of securities, the latest company's financial statements audited by an accountant or verified by a certified public accountant should be used as a reference for evaluating the transaction price before the factual occurrence date.

6.2 Ask the experts to issue opinions

6.2.1 To obtain or dispose of securities, and if the transaction amount reaches 20 percent of the company's paid-in capital or more than NT\$300 million, they should contact the accountant to express their opinion on the reasonableness of the transaction price before the factual occurrence date. If an accountant needs to use an expert reporter, he shall apply for the stipulation of the Auditing Standards Bulletin No. 20 issued by the Foundation of the Republic of China on Accounting Research and Development (hereinafter referred to as the Accounting Research and Development Foundation). However, unless the Financial Supervisory Commission has otherwise provided a stipulation in the open market price quoted by the active trading market, it shall not be so limited.

6.2.2 Calculation of the transaction amount shall be handled in accordance with the provisions of 13.2, and within one year of the alleged period, based on the date of the occurrence of the transaction, and retrospectively calculated for one year, which has been issued by professional appraisers according to the provisions of this procedure. The valuation report or accountant's comments are not counted back.

6.3 Authorized Credits and Tiers

6.3.1 For the purpose of the operation, the transfer of equity shall be subject to equity disposal. If the amount of each transaction is NT\$300 million or more, it shall be submitted to the Board of Directors, if not more than NT\$300 million, authorized by the directors to approve. If the transaction amount exceeds NT\$100 million, it is reported to the nearest Board of Directors for review.

6.3.2 Obtain or dispose of public debts, corporate bonds, financial bonds, domestic and foreign bond funds, and domestic and foreign currency funds for the purpose of financial dispatch. If the amount of each transaction exceeds NT\$100 million, it shall be submitted via the Board of Directors. Passed by Directors, who had not reached NT\$100 million, authorized the directors to approve the transaction. The transaction amounted to more than 70 million yuan, and was subsequently reported to the nearest Board of Directors for review.

6.3.3 For other securities that are acquired or dispositioned for the purpose of financial dispatch, each transaction amounting to more than NT\$70 million should be submitted by the Board of Directors, which is less than NT\$70 million. Authorize the directors to approve the transaction, and the transaction amount exceeds 50 million yuan. Afterwards, report to the nearest Board of Directors for verification.

6.3.4 Other securities not obtained or disbursed for business or financial purposes,

with a transaction value of NT\$30 million or more, should be submitted by the Board of Directors, which is less than NT\$30 million. , authorized directors long approval.

6.3.5 The negotiable certificates of deposit, short-term commercial and bank acceptance bills, and the purchase and sale of bonds with the conditions for repurchasing and selling shall not be limited to this, but shall be approved by the directors.

6.4 Implementation Unit

The company's acquisition and disposal of long-term and short-term securities investment should be performed by the financial unit after the nuclear authority has been submitted for verification.

6.5 Trading Process

The Company obtains or disposes of the transaction process of securities, which is handled in accordance with the provisions of the company's internal control system investment cycle related operations.

7 Obtaining or Disposing of Evaluation and Operating Procedures of Real Estate or Equipment

7.1 Price Determination Method and Reference

To obtain or dispose of real estate or equipment and other fixed assets, reference shall be made to the present value of the announcement, the assessed value, and the actual transaction price of the nearby real estate. The transaction conditions, transaction price, and analysis report shall be prepared through procedures such as inquiry, price comparison, bargaining, or public tendering. Reporters are long.

7.2 Asked experts to issue a valuation report

Acquiring or disposing of real estate or equipment, except for transactions with government agencies, establishment of committees, construction of leased land, or acquisition and disposal of equipment for business use, the transaction amount is up to 20 percent of the company's paid-in capital or new For NT\$300 million or more, an appraisal report issued by a professional appraiser shall be obtained before the factual occurrence date, and meet the following requirements:

7.2.1 When a limited price, a specific price or a special price is used as a reference for the transaction price for special reasons, the transaction shall be submitted to the Board of Directors for resolution. Changes in future trading conditions shall also be handled mutatis mutandis.

7.2.2 When the transaction amount exceeds NT\$1 billion, more than two professional appraisers should be valued.

7.2.3 The professional appraiser's valuation result has one of the following circumstances, except that the valuation result of the acquired asset is higher than the transaction amount, or the valuation result of the disposition asset is lower than the additional transaction amount, and the accountant should be consulted according to the accounting research and development fund. The stipulations of the Auditing Standards Bulletin No. 20 issued by the Club shall be handled, and specific opinions shall be expressed on the reasons for the discrepancy and the conductability of the transaction price:

(1) The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.

(2) The gap between the valuation results of two or more professional appraisers is more than 10% of the transaction amount.

7.2.4 The date of the contractor's pre-declaration date, the date of issue of the report and the date of the contract shall not exceed three months. However, if it applies to the present value of the same period of announcement and does not exceed six months, the original professional valuer may issue a written opinion.

7.2.5 A person who obtains or disposes of assets through a court auction procedure may replace the valuation report with a certificate issued by the court.

7.2.6 The calculation of the transaction amount shall be handled in accordance with the provisions of 13.2.

7.3 Authorized Credits and Tiers

The acquisition or disposal of real estate or equipment with a transaction amount of NT\$3 million (inclusive) shall be submitted to the director for approval; if the transaction amount exceeds NT\$3 million, it must be approved by the Board of Directors. .

7.4 Implementation Unit

When the company acquires or disposes of immovable property or equipment, it shall be subject to the approval of the nuclear authority of the foregoing paragraph, and the use department and related power and responsibility units shall be responsible for the execution.

7.5 Trading Process

The Company obtains or disposes of transaction procedures for real estate or equipment, and is required to comply with the Company's internal control system for real estate, plant and equipment cycle-related operations.

8 Obtaining or Disposing of Assets from Related Persons and Procedures

8.1 The Company obtains or divests assets from a related party. If the transaction amounted to more than 10% of the company's total assets, it shall also obtain the valuation report or opinion of the accountant issued by the professional valuer according to the provisions of the preceding article. The calculation of the transaction amount shall be handled in accordance with the provisions of 13.2. When judging whether the transaction partner is a related person, he should consider the substantive relationship in addition to his legal form.

8.2 The Company acquires or disposes of immovable property from the purchase or exchange with a related party, or obtains or disposes of other assets other than immovable assets with a related party and the transaction amount is 20% of the company's paid-up capital, 10% of total assets or new For NT\$300 million or more, in addition to buying and selling government bonds, bonds with buy-back, repurchase terms, and buying or repurchasing money market funds issued by domestic securities investment trusts, the following

information shall be divided by two points by all members of the Audit Committee. One or more of them agreed and submitted the Board of Directors to the following to sign the transaction contract and pay the money:

- 8.2.1 The purpose, necessity and expected benefits of acquiring or arranging assets.
- 8.2.2 The reasons why the selected person is the subject of the transaction.
- 8.2.3 Obtain relevant information on the reasonableness of the pre-determined trading conditions as determined in accordance with 8.3 and 8.4 in obtaining real estate from related parties.
- 8.2.4 The date and price of the original acquisition of the related party, the transaction object and its relationship with the company and its related parties.
- 8.2.5 It is expected that the monthly cash income and expenditure forecast table for the coming one month of the future of the contract month will be reviewed and the necessity of the transaction and the rationality of the use of funds will be assessed.
- 8.2.6 The valuation report issued by a professional valuer obtained pursuant to 8.1, or the opinion of an accountant.
- 8.2.7 Restrictions and other important commitments of this transaction.
- 8.2.8 Calculation of the transaction amount shall be handled in accordance with the provisions of 13.2, and within one year of the alleged period, based on the date of the occurrence of the transaction, and retroactively calculated for one year in advance. All members of the Audit Committee shall have been regulated in accordance with the provisions of this procedure. More than half agree and submit to the Board of Directors to waive the recognition again.
- 8.2.9 The company obtains or disposes of equipment for business use between the company and the parent company or subsidiary company. The Board of Directors may follow the 7.3 authorized directors to make a decisive deduction before a certain amount, and subsequently report the most recent issue of the Board of Directors.
- 8.2.10 The Company shall fully consider the opinions of independent directors when obtaining or disposing of assets to Board members of the Board of Directors. If an independent director has any objections or reservations, he shall state in the Minutes of Meeting of Board of Directors. .

8.3 Evaluation of the Rationale of Transaction Costs

- 8.3.1 To obtain real estate from a related party, the following methods should be used to assess the reasonableness of transaction costs:
 - (1) Add the necessary funds interest and the buyer's legal cost to the transaction price of the related party. The so-called necessary capital interest cost is calculated based on the weighted average interest rate of the borrowed items of the company's purchased assets, but it must not be higher than the highest non-financial industry borrowing rate announced by the Ministry of Finance.

- (2) If the related party once set the mortgage borrower to the financial institution with the subject matter, the financial institution assesses the total value of the loan against the subject matter, but the cumulative value of the actual lending of the subject matter by the financial institution should reach the loan and loan assessment More than 70% of the total value and more than one year during the loan period. However, it is not applicable if the financial institution and one of the parties to the transaction are related to each other.
- 8.3.2 For mergers and acquisitions of land and housing of the same subject, transaction costs may be assessed for land and housing in accordance with any of the methods listed in 8.3.1.
- 8.3.3 To acquire real estate from a connected person, the cost of the real property should be assessed in accordance with 8.3.1 and 8.3.2, and an accountant should review and express specific opinions.
- 8.3.4 The acquisition of immovable property from a connected person is subject to the provisions of 8.2 related assessments and operating procedures, and does not apply the assessment requirements for the reasonableness of transaction costs specified in 8.3.1 to 8.3.3.
 - (1) A person in a relationship acquires immovable property because of inheritance or gift.
 - (2) The time for the contractor to obtain immovable property was more than five years before the contract date of the transaction.
 - (3) Signing a co-construction contract with a affiliated person, or requesting the affiliated person to build an immovable property and obtaining real estate from the committee of the Party committee or the building committee of the prefecture.
- 8.4 When the evaluation results are lower than the transaction price according to 8.3.1 and 8.3.2, they shall be handled in accordance with 8.5. However, if due to the following circumstances, the objective evidence and the specific rationality opinions of the real estate professional valuer and the accountant shall be provided, this shall not apply:
 - 8.4.1 If the affiliate obtains the redevelopment of the original land or rented land, he or she must produce evidence that meets one of the following conditions:
 - (1) As assessed by the method prescribed in 8.3, prime real estate is calculated based on the construction cost of the related party plus a reasonable construction profit, which is the aggregate of the actual transaction price. The so-called reasonable construction profits shall be based on the average operating gross margin of the related party's construction department in the recent three years or the lowest gross profit margin of the construction industry announced by the Ministry of Finance.
 - (2) Other non-relationship transactions within one year in other floors of the same subject premises or in adjacent areas are similar in area, and the conditions are comparable if the transaction conditions are assessed on the basis of reasonable floor or regional spreads in accordance with the

conventions governing the sale of real estate.

- (3) Other non-relationship leasing cases within one year of other floors of the same subject premises are estimated to be equivalent to the reasonable floor price difference according to the normal floor price difference for real estate leasing practice.

8.4.2 The real estate purchased from the evidence to the connected person shall have the same trading conditions and similar area and closeness to other non-relationship transactions in the neighboring area within one year.

The transaction cases in the neighboring areas are said to be based on the same or adjacent street profile and not more than 500 meters away from the subject matter of the transaction target or the current value of the announcement is similar; the similar area is said to be the case of other non-relationship transactions. The area of not less than 50% of the subject matter of the transaction is the principle; within one year, it is based on the date of the acquisition of real estate facts, and is calculated retrospectively for one year.

8.5 To acquire real estate from a related party, if the evaluation results are lower than the transaction price as stipulated in 8.3 and 8.4, the following matters shall be handled:

8.5.1 Special surplus reserves shall be provided in accordance with the Company Articles of Association and the relevant laws and regulations for the difference between the price of the real property transaction and the evaluation cost, and shall not be distributed or transferred for capital allocation. Investors who evaluate the equity of the company's investment in the equity method, if they are publicly-issued companies, shall also set aside a special surplus reserve in accordance with relevant laws and regulations in proportion to the amount of such an offer.

8.5.2 Independent director members of the Audit Committee shall comply with Article 218 of the Company Act.

8.5.3 The former 8.5.1 and 8.5.2 cases should be submitted to Shareholders' meeting and the details of the transaction should be disclosed in the annual report and the public statement.

8.5.4 The company and the public offering company that evaluates the equity of the company adopts the equity method to assess the special surplus reserves. The assets that should be purchased at high prices have recognized the loss or disposition of the loss or have been properly compensated or restored. Other evidence confirms that there is no unreasonable person, and after obtaining the approval of the Financial Supervisory Commission, the special surplus reserve fund may be used.

8.6 The Company obtains real estate from related parties. If there is any other evidence showing that the transaction is inconsistent with business practices, it shall comply with the provisions of 8.5.

8.7 The provisions of this Article relating to 10% of the total assets shall be calculated on the basis of the total amount of assets in the most recent individual financial report as stipulated in the standard for the preparation of the financial report of the securities issuer.

9 Obtain or dispose of evaluation and operating procedures of membership cards and intangible assets

9.1 Price Determination Method and Reference

To obtain or dispose of membership cards or intangible assets, it is necessary to consider the potential benefits and market-determined value of the assets in the future, and if necessary, refer to expert opinions and negotiate with the transaction counterparts.

9.2 Ask experts to issue opinions

Obtain or dispose of membership cards or intangible assets. If the transaction amount reaches 20 percent of the company's paid-in capital or more than NT\$300 million, the transaction should be made before the actual occurrence date in addition to dealings with government agencies. The reasonableness of the opinions expressed shall be handled by the accountants in accordance with the stipulations of the Auditing Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation; the calculation of the aforementioned transaction amounts shall be handled in accordance with the provisions of 13.2.

9.3 Authorized Credits and Tiers

9.3.1 Obtaining or disposing of a membership card, if the transaction amount is less than NT\$1 million (inclusive), it shall be submitted through the company's own internal signing and submitted to the director for approval; if the transaction amount exceeds NT\$1 million, the amount must exceed the NT\$1 million. After Directors passed, they started.

9.3.2 Obtaining or disposing of intangible assets, if the transaction amount is less than NT\$1 million (inclusive), must be signed by the company and submitted to the directors for approval, and the latest Board of Directors should be submitted. If the transaction amount exceeds NT\$1 million, it must be approved by the Board of Directors.

9.4 Implementation Unit

The company's obtaining and disposing of membership cards and intangible assets shall be performed by the user unit and the relevant power and responsibility unit after the nuclear authority has been submitted for verification.

9.5 Trading Process

The Company obtains or disposes of membership cards or intangible assets, which is handled in accordance with the Company's approval list and internal control system procurement and payment cycle procedures.

10 Evaluation and Operation Procedures for Obtaining or Disposing Derivative Products

In order to effectively manage the company's income and expenditure, assets and liabilities due to changes in foreign exchange, interest rates, etc., and the company's exposure to derivative commodity transactions.

11 Acquire or dispose of derivative products for assessment

In order to effectively manage the company's income and expenditure, assets and liabilities due to changes in foreign exchange, interest rates, etc., engaged in derivative commodity trading risks.

11.1 Business or hedging strategy

The Company engages in derivative commodity transactions to circumvent risks arising from fluctuations in exchange rates, interest rates or asset prices, and to hedge against foreign currency positions in the receivables/payables arising from the company's business within the next six months. Before the transaction is conducted, it must be determined as a safe-haven operation.

11.2 Division of powers and responsibilities

The person to whom the financial unit may conduct derivative commodity transactions and the confirmation must be assigned by the treasurer.

Set up transaction confirmation and Settlement Officer. The confirmation staff is responsible for confirming the transaction with the counterparty. The Settlement Officer is responsible for arranging due settlements, and the transaction confirmation must not be the same as the Settlement Officer.

11.3 Determination of the total amount of the transaction deed and the maximum loss limit

11.3.1 The total amount of the transaction contract

(1) Hedging Operations

The total amount of the company's total safe-haven contract shall not exceed the foreign currency position of receivables/payables arising from the company's business within the next six months.

(2) Trading Operations

The Company does not engage in trading operations.

11.3.2 Maximum Loss Limit

(1) Hedging Operations

If the company's individual (all) contract loss is more than 5% of the market price, the company will need to report whether the director's approval will be settled.

The maximum individual (all) contract loss limit shall not exceed the limit of 10% of the individual (all) transaction contract amount. If the maximum loss limit is exceeded, the announcement shall be made in accordance with the "13 Announcement Declaration Procedure".

(2) Trading Operations

The Company does not engage in trading operations.

11.4 Performance Evaluation

11.4.1 Hedging Operations

The performance of hedging operations is measured and assessed based on hedging strategies.

11.5 Delegation Lines and Levels

The authorization limits and hierarchies of hedging operations are as follows:

The company's authorized trader must be able to enter into the transaction only after the amount of the transaction contract specified in 11.3.1 has been approved by the chief financial officer and approved by the treasurer.

Each transaction must be internally signed in accordance with the amount of credit, and its authorization limit, transaction approval and hierarchy are as follows:

Amount (NT)	Department heads	General manager	Chairman	Board of Directors
100 million or less	Review	Review	Approved	Recognize
100 million or more	Review	Review	Approved	Resolution

In order to enable the transaction partner to cooperate with the supervision and management of the Company, the transaction authorization amount and level specified in this section should be notified in writing to the transaction target. However, the written confirmation with the transaction object, regardless of the amount of money, is signed by the treasurer.

11.6 Major Derivative Commodity Trading

Major derivatives transactions should be dealt with in accordance with relevant regulations and provide Board of Directors for resolutions.

11.7 Implementation Unit and Process

11.7.1 Confirming the Transaction Section.

11.7.2 Related trend analysis and judgment.

11.7.3 Determining hedging practices:

- (1) The subject of the transaction
- (2) Trading position
- (3) Target price and range
- (4) Trading Strategies and Patterns
- (5) The price reference is based on the open quotation system.

11.7.4 Obtaining Approval of a Transaction.

11.7.5 Executing a Transaction

(1) Transaction object:

When selecting trading partners, they must first consider the consideration of credit risk.

(2) Traders:

The company's personnel who perform derivative commodity transactions should first sign the agreement with the top decision-making director, general manager, and directors of the finance department to inform the company's current financial institutions that the non-mentioned personnel

should not engage in transactions.

11.8 Risk Management

11.8.1 Credit Risk:

The company is limited to the principle that the company trades with the company's banks or well-known financial institutions, and can provide professional information, otherwise it should sign the highest decision-making director of the finance department to agree.

11.8.2 Market risk:

The Company focuses on hedging transactions in derivative financial products due to changes in interest rates, changes in exchange rates, or other factors, and should be controlled at all times.

11.8.3 Liquidity Risk:

In order to ensure liquidity, it is necessary to confirm with the capital personnel before the transaction that the transaction amount will not result in insufficient liquidity.

11.8.4 Cash Flow:

The Company should maintain sufficient liquid assets and financing facilities to meet the demand for delivery funds.

11.8.5 Operational Risk:

The Company determines the authorization limit and operation process to avoid operational risks.

11.8.6 Legal Risk:

Documents signed by the company and counterparties must be reviewed by internal legal personnel or legal advisors before they can be formally signed to avoid legal risks.

11.9 Internal Control

11.9.1 The Company's trading staff and confirmation and delivery personnel shall not hold concurrent positions.

11.9.2 When a transaction occurs, the trader should fill out the transaction transaction slip and submit it to the confirmation person for confirmation. Confirmation personnel should confirm and count the statistics in the part master table according to the transaction slip and the transaction object.

11.9.3 Personnel for measurement, supervision and control of risks shall be assigned to different departments with the personnel of the preceding paragraph and shall report to the Board of Directors or directors.

11.10 Regular Evaluation Methods and Handling of Abnormal Situations

The risk management transactions that the finance department needs to handle must be evaluated at least twice a month. The evaluation report should be submitted to the high-level executives authorized by the Board of Directors. Report to the Board of Directors if there is an abnormal situation, and take the necessary measures for response.

The assessment items should include the following items:

- 11.10.1 Regularly assess whether the performance of engaging in derivative commodity transactions meets established business strategies.
 - 11.10.2 Whether the risk assumed is within the scope of the company's tolerance.
 - 11.10.3 Assessment of risk management measures on a monthly basis: Regularly assess whether the risk management measures currently in use are appropriate and do in accordance with the Company's procedures for dealing with derivative commodity transactions.
 - 11.10.4 The Ministry of Finance shall deal with the provisions of the Business Accounting Law, the Financial Accounting Standards Communique and the relevant competent authority's letter of order. If there are no relevant regulations, the details shall be logged in and the monthly realized and unrealized profit and loss statements shall be calculated.
- 11.11 The Company is engaged in derivative commodity transactions. The Board of Directors does supervise and manage according to the following principles:
- 11.11.1 Designated senior executives should always be aware of the supervision and control of the risk of derivative commodity transactions.
 - 11.11.2 Regularly assess whether the performance of the derivative commodity transaction is in line with the established business strategy and whether the risk assumed is within the scope of the company's tolerance.
- 11.12 High-level executives authorized by the Board of Directors shall manage the transactions of derivative commodities in accordance with the following principles:
- 11.12.1 Regularly evaluate the appropriateness of the risk management measures currently in use, and do so in accordance with this Act and the company's procedures for dealing with derivative commodity transactions.
 - 11.12.2 When supervising transactions and gains and losses and discovering unusual circumstances, they shall take necessary measures and report to the Board of Directors immediately. Board of Directors shall have independent director to attend and express opinions.
- 11.13 Internal auditors should regularly understand the permissibility of the internal control of derivative commodity transactions, and check monthly the compliance of relevant trading departments with the relevant provisions of this process, analyze the trading cycle, and prepare audit reports. If major violations are found, Written notice to the audit committee member.
- 11.14 The Company engages in derivative commodity transactions and should prepare a reference book. The details of the types, amounts, dates of the Board of Directors adoption, and those that should be carefully assessed in accordance with 11.10 for engaging in derivative commodity transactions are detailed in the Reference Book for future reference.
- 11.15 The company managers and sponsors who engage in derivative commodity transactions shall follow the provisions of this process to protect the company from unfair losses. If any violation of the relevant laws or regulations of this procedure is involved, its punishment shall be handled in accordance with the provisions of the company's relevant

personnel regulations.

11.16 The Company's subsidiary is intended to engage in derivative commodity trading. The company should urge it to establish procedures for the processing of derivative commodity transactions and implement it in accordance with relevant regulations before implementing the Board of Directors resolution. If the subsidiary of the Company engages in derivative commodity transactions, it should periodically provide relevant information to the company for verification.

12 Process of merger, split, acquisition or share transfer evaluation and operating procedures

12.1 The Company acquires or disposes of assets in accordance with legal mergers, divisions, acquisitions or transfer of shares. It is governed by the relevant provisions of the "Crete for Handling Acquisition and Disposal of Assets by Public Companies" and "Business Mergers And Acquisitions Act".

12.2 The Company is required to obtain an agreement, merger, division, acquisition or share transfer to the accountants, lawyers or securities underwriters before the Board of Directors resolution is convened to justify the conversion ratio, the purchase price, or the allotment of cash or other assets of shareholders. Express opinions and submit to the Board of Directors for discussion and adoption. However, if the company merges directly or indirectly subsidiaries that hold 100% of the issued shares or total capital, or if they directly or indirectly hold 100% of the issued shares or the total amount of capital in the merger of subsidiaries, they may avoid obtaining reasonable opinions from the former experts.

13 Announcement procedure

13.1 When the company acquires or disposes of assets, it shall, in accordance with the nature, submit the relevant information to the designated website of the Financial Supervisory Commission within 2 days from the date of occurrence of the facts and provide the relevant information to the parent company of the group in the prescribed format according to the nature. :

13.1.1 Obtaining or disposing of immovable property from a related party, or obtaining or disposing of other assets outside the real estate with a related party, and the transaction amount is 20% of the company's paid-up capital, 10% of total assets or NT\$300 million Yuan above. However, the purchase and sale of government bonds, bonds with repurchased terms and conditions for repurchase, and purchases or repurchase of money market funds issued by domestic securities investment trusts shall not be included.

13.1.2 Merge, split, acquisition or transfer of shares.

13.1.3 Losses incurred in the trading of derivative commodities amount to the total or individual contract loss limit specified in the prescribed treatment procedures.

13.1.4 The types of assets acquired or disposed of are equipment for business use, and the parties to the transaction are not related parties, and the transaction amount has reached NT\$500 million or more.

- 13.1.5 The Company has acquired or disposed of the real estate for construction use by the company in construction business and the transaction partner is not a related party, and the transaction amount has reached more than NT\$500 million.
- 13.1.6 The real estate is obtained from the methods of the construction of the local committee, the lease of the land, the construction of the sub-houses, the construction of the sub-units, and the construction of the sub-sales. The company expects to invest more than NT\$500 million in the transaction.
- 13.1.7 Excluding the previous six-point asset transactions, financial institutions disposing of claims, or engaging in investment in the mainland, the transaction amount of the company's paid-in capital amounted to 20 percent or more than NT\$300 million. However, the following circumstances are not limited:
- (1) Buying and selling public debt.
 - (2) Specializing in investment, trading in securities for stocks in stock exchanges or stock exchanges at home and abroad, or subscription of general corporate bonds issued in general and unquoted general financial bonds, or securities companies in the domestic primary market As a result of underwriting business needs, it serves as a securities company to negotiate and recommend the securities to be subscribed by TPEX.
 - (3) Buy and sell bonds with Repo, Reverse Repo, apply for purchase, or buy back money market funds issued by domestic securities investment trusts.
- 13.2 The transaction amount in the preceding paragraph is calculated as follows:
- 13.2.1 The amount of each transaction.
 - 13.2.2 Accumulate within one year the amount of the transaction with the same nature as the person obtaining or disposing of the same nature.
 - 13.2.3 Accumulated acquisitions or dispositions (acquisition, disposition, respectively) of the amount of real estate of the same development plan within one year.
 - 13.2.4 Accumulation or disposition (acquisition, disposal separately) of the same amount of securities within one year.
 - 13.2.5 Within one year within the said period, based on the date of occurrence of the transaction, the retrospective calculation will be made one year in advance, and the part announced in accordance with the provisions shall not be counted.
- 13.3 The Company shall, on a monthly basis, enter the company and non-domestic companies that are not publicly-owned as of the end of the month to engage in derivative commodity transactions in accordance with the prescribed format, enter the financial reporting website specified by the Financial Supervisory Commission and provide relevant information on a monthly basis. Information to the parent company of the group.
- 13.4 The Company shall announce that the project should be re-announced within two days from the date of the knowledge, if there is any error or omission in the announcement and it should be corrected.
- 13.5 The Company obtains or disposes of assets, and the relevant contracts, Minutes of

Meeting, reference books, valuation reports, accountants, lawyers, or securities underwriters' opinions shall be kept in the Company. This information is kept for at least five years unless otherwise provided by other Acts.

- 13.6 After the Company declares a transaction in accordance with the provisions of the preceding paragraph of this Article, any one of the following circumstances shall report the relevant information on the designated website of the Financial Supervisory Commission within two days from the date of the factual occurrence:
 - 13.6.1 The relevant contract signed in the original transaction has been changed, terminated or cancelled.
 - 13.6.2 Mergers, splits, acquisitions or transfer of shares are not completed on a contractual schedule.
 - 13.6.3 The contents of the original announcement declaration have been changed.
- 13.7 If the subsidiary of the Company is not a public issuer and acquires or disposes of assets that meet the declared standards for the publication of Articles 30 and 31 of the "Criteria for Handling Acquisition and Disposal of Assets by Public Companies", the Company shall also The subsidiary handled the notification of the announcement. The applicable reporting standards of the subsidiary company shall be related to the declared amount of 20 percent of the paid-in capital or 10 percent of the total assets, which is based on the paid-in capital of the company or the total assets.
- 14 The company's subsidiary shall comply with the following provisions:
 - 14.1 The Company shall urge its subsidiaries to stipulate and execute procedures for obtaining or disposing of assets in accordance with the provisions of Criteria for Handling Acquisition and Disposal of Assets by Public Companies.
 - 14.2 The acquisition or disposal of assets by each subsidiary shall be reported to the Company prior to the fact that the "Criteria for Handling Acquisition and Disposal of Assets by Public Companies" or other legal provisions should be approved by the Board of Directors. The Company's responsibilities and units should assess the feasibility, necessity and rationality of the acquisition or disposition of assets, and follow up the execution status afterwards to conduct an analysis review.
 - 14.3 The Company's internal auditors should regularly audit the compliance status of each subsidiary's "acquisition or disposition of asset disposal procedures" and prepare an audit report. After the findings and recommendations of the audit report are submitted, they should notify the affected subsidiaries to improve. It also regularly produces follow-up reports to ascertain that it has taken appropriate improvement measures in a timely manner.
- 15 The Company shall not forgo the capital increase of Winmax Technology Co. Ltd. (Shanghai) in the coming years. In the future, if the Company considers it as a strategic alliance or otherwise agrees with an over-the-counter trading center, it must abandon the company's capital increase or dispose of the company, subject to a special resolution of the Board of Directors.
- 16 Penalties
The Company employees undertake to obtain and dispose of assets in violation of the provisions of this process, according to the company employee handbook regularly submit assessment, according to the severity of the punishment.

17 Supplements to the Ordinance

The matter of this procedure is not exhausted and it is handled in accordance with the relevant laws and regulations. °

18 Implementation and Correction

18.1 This operating procedure is approved by more than half of all members of the Audit Committee and is subject to resolution by the Board of Directors. The resolution is then submitted to the Shareholders' meeting with consent. If there are any directors who have objections and have written or written statements, the company shall disagreeing with the Audit Committee and submitting a shareholder's meeting for discussion will also be the same.

18.2 If more than one-half of the total number of members of the Audit Committee agree, the foregoing paragraph may be agreed by more than two-thirds of all directors, and the Board of Directors shall state the resolution of the Audit Committee in the Board of Directors Minutes of Meeting.

18.3 All the members of the Audit Committee referred to 18.1 in the preceding paragraph and all directors referred to in the preceding paragraph shall be calculated based on the actual incumbent.

18.4 When submitting the procedures for obtaining or disposing of assets to the Board of Directors for discussion in accordance with the provisions of the preceding paragraph, the opinions of the independent directors shall be fully considered and the opinions and reasons for their consent or objection shall be included in the Minute of Meeting.

Appendix III Regulations Governing Remuneration Paid to Directors < Before the revision >

Regulations Governing Remuneration Paid to Directors

Article 1 :In order to follow the company's director's rewards, special measures have been established.

Article 2 :The directors' rewards mentioned in these Measures refer to the following:

- i. Remuneration of directors based on the Articles of Association of the Company (refers to salary, position bonuses, various bonuses, severance payments, bonuses, etc.) Excluding business execution expenses, including fees paid for seats and special expenses during the meeting , various allowances, dormitories, cars, etc. provided in kind).
- ii. According to the Company's Articles of Association, directors' rewards are paid annually.

Article 3 :The amount of remuneration and distribution method

- i. Independent director, whose fixed remuneration does not exceed NT\$50,000 per month authorizing the Board of Directors to decide not to participate in the annual directors' remuneration.
- ii. Directors' fees:: Each time the Board of Directors pays NT\$6,000, according to the actual attendance calculation, the payment is paid after each meeting.
- iii. Directors attendance fee: Each time the Board of Directors pays the new Taiwanese dollar Lu Yuyuan, according to the actual attendance calculation (including the video conferencing method), payment is made after each meeting.
- iv. When the Companydirectors act as managers or employees, they are treated as employees of the Company to receive salary, bonuses and bonuses.
- v. For directors other than the above listed independent directors, their remuneration is distributed in accordance with the total amount of directors awarded through the annual allocation of the Board of Directors in the following ways:
 1. The directors are each 1 basis point. For those who are less than one year old, the number of points is calculated based on the ratio of the total number of elected months to the whole year. If the resignation period is not included in the calculation of the year of remuneration, the resignation shall not be included in the calculation.
 2. Increase the number of director positions by 0.5 basis points.
 3. If the director has an increase of 0.5 basis point for the company's endorsement guarantor in the year of assigning compensation.
 4. Remuneration for individual directors: The total base points for directors divided by the total base points for all directors participating in the distribution, and then multiplied by the total amount of directors paid through the Board of Directors for that year.

vi. The chairman of the company or the directors of the Company perform the duties of the Company. The individual remunerations are based on the value of the aforementioned personnel's participation in and contribution to the company's operations. They are submitted to the Board of Directors for resolution after the remuneration committee makes recommendations based on the level of inter-industry.

Article 4 :These measures come into force after being resolved by the Board of Directors, and they are also the same when amended. After the company has set up a remuneration committee, this approach should be reviewed by the remuneration committee and it will be the same when it is amended.

Appendix IV Articles of Incorporation

NOVA TECHNOLOGY CORPORATION Articles of Incorporation

Chapter 1 General

Article 1 : The Company is organized under the terms of the Company Act and is named NOVA TECHNOLOGY CORPORATION

Article 2 : The Company's business is as follows:

1. C801010 Basic chemical industry
2. C801020 Petrochemical raw material manufacturing
3. C801030 Precision Chemical Materials Manufacturing
4. C805050 Industrial Plastic Product Manufacturing
5. CA02010 Metal structure and building module manufacturing
6. CA02050 Valve manufacturing
7. CA02090 Metal wire product manufacturing
8. CA02990 Other metal products manufacturing
9. CB01010 Machinery and equipment manufacturing
10. CB01030 Pollution prevention equipment manufacturing industry
11. CB01990 Other machinery manufacturing
12. CC01010 Power generation, transmission, and distribution machinery manufacturing
13. CC01080 Electronic component manufacturing
14. CC01990 Other electrical and electronic machinery and equipment manufacturing
15. CE01010 General instrument manufacturing
16. E103101 Environmental Protection Engineering Professional Construction Industry
17. E502010 Fuel pipe installation engineering
18. E599010 Plumbing industry
19. E601010 Electrical appliance industry
20. E601020 Electrical installation industry
21. E603010 Cable installation engineering
22. E603020 Elevator installation engineering
23. E603040 Fire safety equipment installation engineering
24. E603050 Automatic Control Equipment Engineering
25. E603080 Traffic Signal Installation Engineering
26. E603090 Lighting installation engineering
27. E603100 Welding Engineering
28. E604010 Mechanical installation industry
29. E605010 Computer equipment installation industry
30. E801010 Interior decoration industry

31. E801020 Door and window installation engineering
32. E801030 Indoor light steel frame engineering
33. E903010 Anti-corrosion, anti-rust engineering industry
34. EZ02010 Lifting Engineering
35. EZ05010 Instrument and instrument installation engineering
36. EZ06010 Traffic Marking Engineering
37. EZ07010 Drilling Engineering
38. EZ09010 Electrostatic Protection and Elimination Engineering
39. EZ15010 Insulation, cold insulation installation engineering
40. EZ99990 Other engineering industry
41. F107200 Chemical raw materials wholesale
42. F107990 Other chemical wholesales
43. F113010 Machinery Wholesale
44. F113020 Electric appliance wholesale
45. F113030 Precision Instrument Wholesale
46. F113050 Computer and transactional machinery and equipment wholesale
47. F118010 Information software wholesale
48. F119010 Electronic materials wholesale
49. F207200 Chemical raw materials retail
50. F207990 Other chemicals retail
51. F213030 Computer and transactional equipment retail
52. F213040 Precision Instrument Retail
53. F213990 Other machinery and equipment retail
54. F218010 Information Software Retail
55. F219010 Electronic materials retail
56. F401010 International trade
57. G801010 Storage industry
58. H701050 Invest in public construction
59. I103060 Management Consultancy
60. I301010 Information Software Services
61. IF01010 Fire safety equipment maintenance industry
62. IG03010 Energy Technology Services
63. IZ06010 Tally packaging industry
64. IZ12010 Manpower dispatch
65. J101030 Waste removal industry
66. J101040 Waste treatment industry
67. J101050 Environmental Testing Services
68. J101060 Waste (sewage) water treatment industry

- 69. J101070 Radioactive Waste Treatment Services
- 70. JA02010 Electrical and electronic products repair industry
- 71. JE01010 Leasing industry
- 72. ZZ99999 In addition to the licensing business, businesses that are not prohibited or restricted by business regulations

Article 3 : The Company is headquartered in Hsinchu County, Taiwan Province. If necessary, it can set up branches or subsidiaries at home and abroad through the resolution of the Board of Directors.

Article 4 : The Company's investment in the investment of other companies is not subject to the thirteenth subparagraph of the Company Act and it is authorized by the Board of Directors.

Article 5 : The Company's announcement method is governed by the Company Act and other related laws and regulations.

Article 6 :The Company can guarantee externally that it is not subject to the Article 16 of the Company Act and that the endorsement of the endorsement is carried out with the consent of the Shareholders' meeting.

Chapter 2 Shares

Article 7 : The company's capital is generally rated at NT\$25 million and is divided into NT\$10 per share, NT\$10 per share, issued in multiple installments, and unissued shares are subject to actual resolution by the Board of Directors. The amount of NT\$10,000 was reserved for the use of the employee's share certificate in the total capital of the preceding paragraph. It was divided into 10,000 shares and NT\$30 per share. It may be issued in multiples according to the resolution of the Board of Directors.

Article 8 : The company's shares are registered by the director's signature and are issued after being legally granted a visa. The Company may acquire the non-printed stocks and shall contact the centralized securities depository institution to log in; the issuance of other securities shall be the same.

Article 9 : The Company's shareholding operations are handled in accordance with the relevant laws and regulations and the regulations of the competent authority.

Chapter 3 Shareholders' Association

Article 10 : The Shareholders' meeting is divided into general meeting and temporary meeting. The general meeting is held once a year and is held within six months after the end of each fiscal year. The temporary meeting is held according to law when necessary. The convening regulations are handled in accordance with relevant laws and regulations.

Article 11 : When the shareholders are unable to attend the Shareholders' meeting for any reason, they are issued a letter of authorization issued by the company, indicating the scope of the authorization, entrusting the agent, attending the Shareholders' meeting. In addition to the provisions of Article 177 of the Company Act and other relevant laws and regulations, the method of appointing a shareholder to attend shall be handled in accordance with the "Procedures" of the "Public Issuing Company to Attend the Shareholders' meeting" issued by the competent authority.

When the Company holds a Shareholders' meeting, it shall exercise its voting rights in writing or electronically. The Company shall list electronically as one of the shareholder's voting rights. Shareholders who vote by electronic means shall be deemed to be present in person. According to the regulations of the Act.

Article 12 : The Companyshareholders have one vote per share, but none of the parties to the provisions of Article 179 of the Company Act have the right to vote.

Article 13 : Resolutions of Shareholders' meeting, unless otherwise provided by the Act, shall be attended by shareholders representing more than half of the total number of issued shares, subject to the consent of a majority of shareholder's voting rights.

Article 13-1: Resolutions of Shareholders' meeting shall be made as Minutes of Meeting, signed or

sealed by Chairmanperson and distributed to Minutes of Meeting within 20 days after the meeting. They shall be kept forever during the existence of the company. The production and distribution of Minutes of Meeting can be made electronically or by way of announcement.

Article 13-2: When the company wishes to cancel the public offering of shares, it must have obtained approval from the Board of Directors, and shareholder's attendance on behalf of the holders of shareholder's voting rights by attending Shareholders' meeting on behalf of more than two-thirds of the total number of issued shares. If the total number of shares attending the shareholder is less than the above-mentioned quota, the majority of shareholders who have represented the total number of issued shares can attend the meeting and agree to share more than two-thirds of the voting rights of the shareholder. During the period of development and listing (cabinet), this clause does not change.

Chapter 4 Directors and audit committee

Article 14 : The Company has five to nine directors for a term of three years. The shareholder's meeting will be selected by the person who has the ability to act and be reelected. The election of the directors shall nominate a nominee system for election, which shall be selected by Shareholders' meeting on the list of candidates. When the term of director expires but not re-election, he will extend his executive duties until the reappointment of directors to take office, and the proportion of shares held by all directors will be handled according to the regulations of the securities regulatory authority.

The nomination, selection method and related treatment of the Companydirectors shall be handled in accordance with the Company's "Directors Election Procedures" and related regulations.

In the Companydirectors quota, the number of independent directors must not be less than three and not less than one-fifth of directors' seats. Independent director adopts the nomination system for candidates, which is selected by shareholders on the list of independent directors candidates. The professional qualifications of the independent director, shareholding, part-time restrictions, nomination and selection methods, and other matters to be followed are handled in accordance with the relevant regulations of the competent authority.

Article 14-1: The Company has been authorized by the Board of Directors for the purchase of liability insurance, the amount of insurance and the insurance coverage of the director's liability for the scope of its business operations within the director's term of office.

Article 14-2: The Company establishes an audit committee in accordance with Article 14 quater of the Securities and Exchange Act and consists of all independent directors. Regarding the number of audit committees, terms of office, powers, Procedures, and other matters, according to the relevant provisions of the "Public Issuing Company Audit Committee to exercise powers," the provisions of the audit committee organizational rules set.

Article 14-3: The Company's Board of Directors has a payroll commission or other functional committee due to business operations.

Article 14-4: The CompanyBoard of Directors should be held at least quarterly. The convocation of the Board of Directors shall set forth the reasons for notifying the directors seven days before, but may be called upon at any time in the event of an emergency. The CompanyBoard of Directors is called up in writing, fax or e-mail.

When directors cannot attend the Board of Directors for any reason, they shall draw a power of attorney, and shall appoint the scope of authorization for the cause of the commission to appoint other directors to attend.

The above agent is subject to the entrustment of one person.

When the Board of Directors was convened, the videoconferencing meeting was made available to them. Directors participating in the videoconferencing were regarded as attending in person.

The resolution of the Board of Directors, with the exception of the Company Act, the Mergers and Acquisitions Act or other laws and regulations, takes the majority of directors' presence and consents to the majority of directors present.

Article 15: The Board of Directors is organized by directors, with more than two-thirds of the director's attendance and a majority of the directors participating in the director's consent.

Article 16: The Board of Directors, except as otherwise required by the Company Act, is called by the directors. When a director takes leave or fails to exercise his authority for any reason, his agent shall handle it according to Article 208 of the Company Act. °

Article 16-1: The remuneration of all directors, the company has to pay remuneration, and its remuneration authorizes Board of Directors to refer to the recommendations of the Compensation Committee and to the value of its participation in, and contribution to, the company's operations, and to reference the usual levels of the industry.

Chapter 5 Managers and staff

Article 17: The Company can be established as a manager. Its appointment, dismissal and remuneration are governed by Article 9 of the Company Act.

Article 18: The Company has been resolved by the Board of Directors to hire consultants or key staff.

Chapter 6 Final accounts of revenue

Article 19: At the end of the fiscal year, the Company shall prepare the following lists by the Board of Directors. They shall be submitted to the Audit Committee for review by Shareholders' general meeting 30 days before the Shareholders' general meeting. (I) Business Reports (II) Financial Statements (III) Proposals for Distribution of Surplus or Provision for Loss.

Article 19-1: If the company is profitable for the year, it should retain the amount of accumulated losses before making the tax. The net profit before tax of not including dispatched employees' compensation and directors rewards shall be no less than 3% for employee remuneration, and the remuneration for non-distribution staff shall be provided. The net profit before tax is no more than 5% as directors reward.

Article 20: If the company has a surplus for the year, it is distributed in the following order:

- i. Withholding taxes;
- ii. make up for losses;
- iii. Deposit 10% of the statutory surplus reserve, except when the statutory reserve has reached the total amount of capital;
- iv. Authorize or repatriate special surplus reserves in accordance with law or the competent authority;
- v. The balance depends on the company's environment, growth stage and long-term financial plan to retain some of the surplus. For its balance and accumulated undistributed earnings for the previous year, Board of Directors regards the financial situation and economic development of the current year, assigning shareholders. Dividends are submitted by the Board of Directors to the Shareholders' meeting resolution.

Article 20-1: The Company will consider the company's environment and growth stage. In response to the unsatisfied funding requirements, financial structure, surplus situation and balanced and stable dividend policy, depending on the funding needs and the dilution of the company's earnings per share, the Company will allocate the surplus for distribution each year. Not less than 10% of shareholder dividends are distributed. The Company may adopt a modest stock dividend or cash dividend method, of which the cash dividend shall not be less than 10% of the total dividends paid.

Chapter 7 Annex

Article 21: All matters not specified in this charter are subject to the provisions of the Company Act.

Article 22: This Articles of Association was concluded on May 27, 1997

The first revision was made on June 28, 2000

The second revision was made on July 27, 2000
The third revision was made on December 10, 2000
The fourth revision was made on June 28, 2002
The fifth revision was made on December 10, 2002
The sixth revision was made on March 8, 2004
The seventh revision was made on June 28, 2004
The eighth revision was made on June 27, 2005.
The ninth revision was made on June 30, 2006
The tenth revision was made on June 1st, 2007
The eleventh revision was made on June 9, 2008
The twelfth revision was made on March 2, 2009
The thirteenth revision was made on August 12th, 2010
The fourteenth revision was made on October 7th, 2011
The fifteenth revision was made on February 26, 2013
The sixteenth revision was made on June 30, 2014
The seventeenth revision was made on August 21, 2014
The eighteenth revision was made on May 27, 2015.
The nineteenth revision was made on May 30, 2016
The twentieth revision was made on December 5, 2016
The twenty-first revision was made on May 22, 2017.

NOVA TECHNOLOGY CORPORATION

Chairman: Liang, Chin-Li

Appendix V Rules of Procedure for Shareholder Meetings

Rules of Procedure for Shareholder Meetings

- Article 1: Basis and purpose
In order to establish a good Shareholders' meeting governance system, a sound supervision function, and strengthen management functions of the Company, we have established the Procedures in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.
- Article 2: scope
The Procedures of the Company Shareholders' meeting shall be performed in accordance with this Procedures unless otherwise provided in the Act or the Constitution.
- Article 3: definition
The term "shareholders" as used in this Procedures refers to the agents to whom the shareholders and the shareholders are present.
- Article 4 Shareholders' meeting call and meeting notice
- (1) The Company Shareholders' meeting shall be summoned by the Board of Directors unless otherwise provided by the Act.
 - (2) The Company shall notify the Shareholders' meeting of the meeting, the power of attorney, the approval, the discussion, the selection or dismissal of the directors, etc. 30 days prior to the meeting of the Shareholders' general meeting or 15 days prior to the meeting of the shareholders. The case of the motion and the explanatory data were made into electronic files and transmitted to the public information observing station. And before the Shareholders' general meeting is held on the 21st or 15th meeting of the temporary shareholder meeting, the Shareholders' agenda manual and meeting supplemental materials are sent to the public information observing station. The Shareholders' meeting will be held 15 days before the supplementary materials of the current Shareholders' meeting proceedings and meeting are available for shareholders to read at any time and display on the company and the company's appointed professional share agency, and shall be held at the Shareholders' meeting. Released on site.
 - (3) Notices and announcements should contain the reasons for the call. The person whose notification was approved by the counterparty can be electronically.
 - (4) When selecting or dismissing directors, supervisors, changing constitutions, dissolving, merging, splitting, or matters involving Article 185-1 of the Company Act, Article 26-1, 43-6 of the Securities and Exchange Act, Article 56 and Article 60bis of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, should be listed in the matter of the convocation, and should not be submitted in the form of a Temporary motion.
 - (5) v. Shareholders who hold shares of more than 1 per cent of the total number of issued shares may submit a proposal for shareholder's general meeting to the Company in writing, but only if they are more than one, they are not included in the proposal. . In addition, Board of Directors may not be listed as

a bill if one of the items proposed by shareholders has paragraph 4 of Article 172-1 of the Company Act.

- (6) The Company shall announce acceptance of shareholder's proposal, acceptance of premises and acceptance period prior to the closing of the shareholder's general meeting prior to the stop of the share transfer; its acceptance period shall not be less than ten days. The shareholders' proposal is limited to 300 words. If the number exceeds 300 words, it shall not be included in the proposal. Proposals shareholders shall attend the Shareholders' general meeting in person or entrust others to participate in the discussion.
- (7) The Company shall notify the proposal shareholders of the results of the processing before the notice of the Shareholders' meeting convening, and shall include in the notice of the meeting the provisions of this Article. For Boardholders who have not included in the proposal, Board of Directors should explain why they are not included in the Shareholders' meeting.

Article 5: Attendance at Shareholders' meeting and authorization

- (1) The shareholders are required to issue a power of attorney issued by the company at each Shareholders' meeting, indicating the scope of the authorization and entrusting the agent to attend the Shareholders' meeting.
- (2) A shareholder issues a power of attorney and is limited to the one person entrusted to it and shall serve the company five days prior to the meeting of Shareholders' meetings. When the power of attorney is duplicated, the first person to be delivered shall prevail. However, the delegator before revoking the statement shall not be limited to this.
- (3) After the power of attorney has been served to the Company, shareholders who wish to attend the Shareholders' meeting in person or wish to vote in writing or electronically should notify the company in writing about the cancellation of the appointment two days prior to the meeting of the shareholder's meeting. The overdue revokes shall be subject to the voting right of the attorney to attend the exercise.

Article 6: The principle of the venue and time for holding the Shareholders' meeting
The venue where the Shareholders' meeting is to be held shall be based on the location of the Company or where it is convenient for shareholder attendance and for Shareholders' meeting. The meeting cannot begin earlier than 9 am or later than 3 pm. The venue and time of the convening should fully consider the opinions of independent director.

Article 7: Preparation of documents such as scrapbooks

- (1) The Company shall specify in the Notice of Meeting the date of receipt of the registration of the shareholder, the location of the registration, and other points of attention.
- (2) The check-in time for the shareholder of the former paragraph acceptance shall be at least thirty minutes before the start of the meeting. The registration office should be clearly marked and appropriate competent personnel should be assigned to handle it.

- (3) i. The shareholders entrusted by the shareholders (or shareholders) themselves or shareholderes shall attend the Shareholders' meeting with their attendance cards, signature cards or other attendance documents. The Company may not add any other documents to the certified files required by the shareholder. The person who is the solicitation requester should carry the identity document for verification.
- (4) The Company shall set up a scrapbook to provide for the signing of agents (hereinafter referred to as shareholders) authorized by the shareholder themselves or shareholder, or by presenting the signature card to the shareholders in place of the check-in.
- (5) The Company shall deliver the proceedings, annual reports, attendance cards, speeches, voting papers and other meeting materials to shareholders who are present at the Shareholders' meeting. If there are election directors or supervisors, Ballots shall be attached.
- (6) When the government or legal person is a shareholder, the representative of the Shareholders' meeting that should be present is not limited to one person. When a legal person is entrusted to attend the Shareholders' meeting, only one representative is required to attend.

Article 8: Chairperson, attendees of the Shareholders' meeting

- (1) If the Shareholders' meeting is summoned by the Board of Directors, the Chairman of the chairperson is assumed by the chairman. If the chairman takes leave or is unable to exercise his authority for any reason, the vice chairman shall act as the agent. If there is no vice chairman or vice chairman who also takes leave or is unable to exercise his authority for any reason, the chairman shall appoint one of the standing directors to act on behalf of the chairman. In the absence of general director, one of the designated directors is represented. When the chairman of the board does not appoint an agent, he or she is elected by one of the standing directors or directors.
- (2) The chairhead of the preceding paragraph is served by a standing director or directors agent who serves for more than six months and serves as an executive director or director who understands the financial business status of the company. If the Chairperson is the representative of the corporate directors, the situation is also the same.
- (3) The Shareholders' meeting convened by the Board of Directors should be personally chaired by the shareholders, and should be attended by at least one director of the Board of Directors (at least one independent director), and at least one member of the various functional committees should attend. Record attendance at Minutes of Meeting.
- (4) If the Shareholders' meeting is convened by a convener other than the Board of Directors, the Chairperson is held by the convener. When there are more than two callers, one person should be elected.
- (5) The Company may appoint an appointed lawyer, accountant or related person to attend the Shareholders' meeting.

Article 9: Record or video recording of the Shareholders' meeting process

The Company shall record and record the shareholder's registration process, the progress of the meeting, and the vote counting process from the beginning of the registration of the shareholder's record. It shall be kept for at least one year. However, if a shareholder filed a lawsuit in accordance with article 189 of the Company Act, the information should be kept until the end of the lawsuit.

Article 10: Shareholders' meeting attendance calculations and meetings

- (1) The attendance of Shareholders' meeting should be calculated on the basis of shares. The number of shares attended shall be calculated based on the signature book or the signed-in card submitted, together with the number of shares in which voting rights are exercised in writing or electronically.
- (2) When the session has been held, the Chairperson shall immediately announce the meeting. However, if there is no shareholder who represents a majority of the total number of issued shares, the Chairperson may announce that the meeting will be postponed. The number of delays shall be limited to the second time, and the total delay time shall not exceed one hour. If the postponed second time is still insufficient to represent more than one-third of the total number of shares issued by the shareholders, the chairperson announces disruption.
- (3) When the former paragraph is postponed twice and is still insufficient and represents more than one-third of the total number of issued shares, the shareholders may be subject to Temporary Resolution pursuant to Article 175 of the Company Act. The Temporary resolution is notified to each shareholder to re-convene the Shareholders' meeting within one month.
- (4) Before the end of the current meeting, if the number of shares represented by the shareholder exceeds half of the total number of issued shares, the Chairmanperson will have a Temporary resolution made to re-send the vote in accordance with Article 174 of the Company Act.

Article 11: Motion discussion

- (1) If the Shareholders' meeting is convened by the Board of Directors, its agenda is set by the Board of Directors, and the meeting shall be conducted according to the scheduled agenda. It may not be changed without the resolution of the Shareholders' meeting.
- (2) If the Shareholders' meeting is convened by a caller other than Board of Directors, the provisions of the preceding paragraph shall apply.
- (3) The motions of the first two scheduled events shall not be terminated (including Temporary motion). Without the resolution, the Chairperson shall not directly announce the adjournment. If the Chairperson declares a dismissal in violation of the Procedures, the other members of the Board of Directors shall promptly assist all the attending shareholder in accordance with the legal procedure to elect another person to be the Chairperson with the consent of a majority of the shareholder's voting rights to continue the meeting.
- (4) The Chairperson shall give full explanation and discussion of the amendments proposed by the resolution and shareholder, or Temporary

motion. When he thinks that the degree of voting has been reached, Chairperson may announce the suspension of the discussion and put forward the vote.

Article 12: shareholders speech

- (1) Before a shareholder speaks, he must first fill in a speech note to specify the keynote, the shareholder's account number (or attendance number), and the user's name, and the Chairperson set the order of his/her speech.
- (2) ii. If the shareholders only mention the note and does not speak, it is considered as not speaking. If the content of the speech is inconsistent with the content stated in the note of speech, the content of the speech shall prevail.
- (3) When the same proposal is expressed through each shareholder, it must not exceed two times without the consent of the Chairperson and must not exceed five minutes at a time. However, when there are shareholders that violate the rules or exceed the scope of the topic, the Chairperson has to stop the speaking.
- (4) When questions are raised by the shareholder(s) present, other shareholder(s) shall not interfere unless they have obtained the consent of the Chairperson and the shareholder(s) who are speaking. If there is any violation, the Chairperson shall stop.
- (5) When a legal person shareholder appoints more than two representatives to attend the Shareholders' meeting, the same motion may only be delivered by one person.
- (6) After questions are raised by the attending shareholders, the Chairperson must personally or designate the relevant person to answer.

Article 13: Calculation and avoidance system of voting shares

- (1) The resolution of Shareholders' meeting shall be calculated on the basis of shares.
- (2) Resolutions of Shareholders' meeting on the number of non-voting shareholder's shares are not counted as the total number of issued shares.
- (3) When a shareholder has a stake in the matter of the meeting which is detrimental to the interests of the Company, he shall not join the voting and shall not exercise his voting rights on behalf of other shareholders.
- (4) The number of shares not entitled to vote in the preceding paragraph shall not be counted as voting rights for shareholders who have attended.
- (5) Except for the trust enterprise or the stock agency approved by the securities-related authorities, if one person is entrusted by two or more shareholders at the same time, the voting rights of its agent shall not exceed three percent of the total voting rights of the issued shares. When there are more than 3% of the parts, their excess voting rights will not be calculated.

Article 14: Resolution, scrutiny and counting of motions

- (1) Shareholders have one voting right per share; however, this is not restricted if they are subject to restrictions or are not entitled to vote under Article 179-2 of the Company Act.
- (2) When the company holds a Shareholders' meeting, shareholders can exercise their voting rights in writing or electronically. When it exercises voting rights in writing or electronically, its method of exercise shall be stated in the Shareholders' meeting call. Shareholders who vote in writing or electronically are deemed to have attended the Shareholders' meeting in person. However, the Temporary motion and amendments to the original motion of the Shareholders' meeting are deemed as abstentions.
- (3) If the voting rights are exercised in writing or electronically in the preceding paragraph, it means that they should be delivered to the company two days before the Shareholders' meeting. When there is a repetition of the meaning, the first served shall prevail. However, the statement of the meaning before revocation is not limited to this.
- (4) If shareholders wish to attend the Shareholders' meeting in person after exercising their voting rights in writing or electronically, they must use the same means as the exercise of voting rights at the latest two days before the Shareholders' meeting. Late revocations shall be subject to the voting rights exercised in writing or electronically. If the voting rights are exercised in writing or electronically, and the proxy is entrusted to attend the Shareholders' meeting, the principal's right to vote in the exercise shall prevail.
- (5) At the time of the voting of the motion, except as otherwise provided in the Company Act and the articles of association of the Company, the motion for a majority of the voting rights for shareholders to attend was deemed to have been agreed and passed.
- (6) At the time of voting, the total number of voting rights of the participating shareholders should be announced on a case-by-case basis by the Chairperson or his designee, and the shareholders vote on a case-by-case basis. On the day after the shareholders' meeting was held, the shareholder's consent, objection, and waiver results were entered into the public information observing station.
- (7) When there is an amendment or alternative to the same motion, the Chairperson shall set the voting order with the original case. If one of these cases has already been passed, other motions will be considered vetoed and no further vote will be required.
- (8) The scrutineers and the counting officers who are responsible for voting on the bill are appointed by the Chairperson, but the scrutineers should have the status of shareholder.
- (9) The counting of voting or election resolutions of Shareholders' meeting shall be handled in the public office of the Shareholders' meeting venue. After the completion of the counting of the votes, the voting results shall be

announced on the spot. The announced contents shall include the weights of statistics and shall be recorded.

Article 15: Election matters

- (1) When there are election directors and supervisors in the Shareholders' meeting, they shall apply for the Procedures selected by the Company and shall announce the result of the election, including the elected directors, the list of supervisors and the number of elected persons.
- (2) Ballots in the elections referred to in the preceding paragraph shall be sealed and signed by the scrutineer for safekeeping and kept for at least one year. However, a person who initiates litigation against shareholder's pursuant to Article 189 of the Company Act shall retain it until the completion of the litigation phase.

Article 16: Minute of Meeting and Signing Events

- (1) Resolutions of the Shareholders' meeting shall be made as Minutes of Meeting, signed and sealed by the Chairperson and distributed to the Minutes of Meeting for each shareholder within 20 days after the meeting. The production and distribution of Minutes of Meeting can be done electronically.
- (2) The distribution of Minutes of Meeting in the preceding paragraph can be achieved by using the public announcement method of entering the public information observing station.
- (3) Minutes of Meeting shall be recorded in accordance with the year, month, day, place, name of the Chairperson, resolution method, method of procedure, and results of the meeting. They shall be kept forever during the duration of the Company.

Article 17: External announcement

- (1) The number of shares sought by the solicitor and the number of shares represented by the agent, the Company shall make a clear statement on the day of the Shareholders' meeting in accordance with the prescribed format, and be clearly disclosed on the venue of the Shareholders' meeting.
- (2) If any of the resolutions of the Shareholders' meeting is a material message stipulated by statutes and required by the regulations of the Taiwan Stock Exchange (TPEX), the company shall transmit the content to the public information observing station within the specified time.

Article 18: Maintenance of the venue order

- (1) Meeting attendees who handle the Shareholders' meeting should wear an identification card or an armband
- (2) The Chairperson can direct pickers or security personnel to help maintain the order of the venue. When pickers or security personnel are present to help maintain order, they should wear armbands or ID badges marked with "pickers".

- (3) When the conference venue is equipped with a sound amplification device, the Chairperson may stop the person if the shareholder does not use the equipment configured by the Company to speak.
- (4) If the shareholders violates the Procedures but does not obey the Chairperson's corrections, which prevents the meeting from proceeding, the Chairperson shall direct the picket or security personnel to advise the person to leave the venue.

Article 19: Break, continued meeting

- (1) When the meeting is in progress, the Chairperson has to declare a break at a discretionary time. In the event of an irresistible incident, the Chairperson may decide to suspend the meeting temporarily and announce the time for the continuation of the meeting as the case may be.
- (2) If the scheduled agenda of the Shareholders' meeting is not terminated before the Temporary motion, if the venue cannot be used at that time, the resolution of the Shareholders' meeting may be used to find another venue and continue the meeting.
- (3) The Shareholders' meeting may, subject to the provisions of Article 182 of the Company Act, resolve to postpone or renew the meeting within five days.

Article 20: Implementation

This Procedures was implemented after the Shareholders' meeting was adopted, and the amendments were handled in the same manner.

Appendix VI Shareholding of Directors

1. The company's registered capital was NT\$500,000,000, paid-in capital was NT\$339,280,000, and the number of issued capital was 33,928,000 shares.
2. According to the public issuer's directors, the number of shares of the supervisor, and the inspection and implementation of Procedures Article 2(1) to (2) and the proviso of the proviso, the total number of shares held by the company's directors shall be calculated in accordance with paragraph 2, but if it is lower than the first maximum total number of shares, it shall be calculated in accordance with the maximum total number of shares in the first paragraph, that is not less than 15 percent of 30,000,000 shares. Based on this, the total number of shares held by the Company's total directors Should be 4,500,000 shares; also the Company has elected independent director of four persons. According to the second item of the same law, the total number of directors of independent directors will be reduced to 80% according to the above-mentioned ratio of shareholdings. The number of statutory shares to be held is 3,600,000 shares, and the company has an audit committee. Therefore, there is no applicability of the statutory shares that should be held by the supervisor.
3. The original directors Wencai Investment Co., Ltd. resigned from director positions on May 10, 2017 due to the company's operational planning considerations.
4. The record of the shareholder's meeting transfer cancellation date (March 30, 2018) is cut off. The status of individual and all directors held by the shareholder list is as follows:

Title	Name	Date elected	Term (Years)	Number of shares held	Shareholding ratio
chairman	Representative of ACTER CO., LTD: Liang, Chin-Li	105.12.05	3	21,098,179	62.19%
directors	Representative of ACTER CO., LTD: Hsu, Zong-zheng	105.12.05	3		
directors	Representative of ACTER CO., LTD: Wu, Bi-huai	105.12.05	3		
independent director	Ye, Shu	105.12.05	3	0	0%
independent director	Chi, Chi-yi	105.12.05	3	0	0%
independent director	Yang ,Sheng-yong	105.12.05	3	0	0%
independent director	Lee, Cheng	106.07.14	3	0	0
Total number of shares held by directors				21,098,079	62.19%

Appendix VII Directors and employees compensation

Unit: NTD\$

Items	The Board adopted a proposal (A)	already expensed under the Company's 2017 income statements (B)	Difference amount (A-B)	Difference reason and dealing with the situation
Employee's stock compensation	0	0	0	No difference
Employee's cash compensation	23,431,090	23,431,090	0	
Director's compensation	17,573,318	17,573,318	0	

Appendix VIII The other explanation

1. The company's response about shareholder's proposal in this Annual Shareholder's Meeting :
 - (1)According to the article 172-1 of the Company Act, Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal and the number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words.
 - (2)The company has announced that the shareholders can submit proposals to be discussed at the meeting on the Market Observation Post System. The period is March 19, 2018 to March 28, 2018.
 - (3)The company had not received any proposals from shareholders.
2. Influence of Proposed Stock Dividend Distribution upon 2017 Operating Performance and Earnings Per Share :

The company proposed to distribute cash dividend, so it is not applicable.